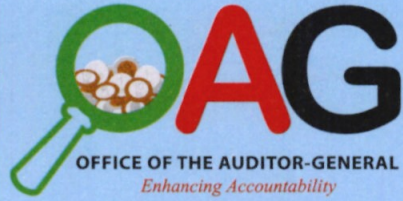


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability



REPORT

PARLIAMENT
OF KENYA
LIBRARY

OF

THE AUDITOR-GENERAL

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 18 FEB 2025 DAY: WED

TABLED BY:	MAJORITY PARTY WITH HON. SILVANO OBOI
CLERK-AT-TIME-TABLE:	OBIERO

ON

**NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND – SUBA SOUTH
CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE, 2025**



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

SUBA SOUTH CONSTITUENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th JUNE 2025

Transitional Financial Statements Under International Public Sector Accounting Standards (IPSAS)

Table of Contents	Page
1. Acronyms and Definition of Key Terms	ii
2. Key Constituency Information and Management	iii
3. NGCDF Committee	viii
4. NG-CDFC Chairman’s Report	xiii
5. Statement Of Performance Against Predetermined Objectives for FY2024/2025.....	xx
6. Governance Statement.....	xxiii
7. Management Discussion and Analysis	xxx
8. Environmental and Sustainability Reporting	xxxiv
9. Statement Of Management Responsibilities	xxxviii
10. Report Of the Independent Auditor on the NGCDF- Suba South Constituency.....	xl
11. Statement of Financial Performance for the Year Ended 30th June 2025.....	1
12. Statement Of Financial Position As At 30th June, 2025	2
13. Statement of Changes in Net Assets for the year ended 30 June 2025.....	4
14. Statement Of Cash Flows for The Year Ended 30th June 2025.....	5
15. Statement of Comparison of Budget and Actual Amounts for the Year ended 30 June 2025.....	6
16. Budget Execution by Sectors And Projects For The Year Ended 30 th June 2025.....	10
17. Notes to the Financial Statements.....	25
18. Annexes	61

1. Acronyms and Definition of Key Terms

A. Acronyms

AIE	Authority to Incur Expenditure
AC	Audit Committee
DCC	Deputy County Commissioner
IPSAS	International Public Sector Accounting Standards.
FAM	Fund Account Manager
NG-CDFB	National Government Constituencies Development Fund Board
NG-CDF	National Government Constituencies Development Fund
NG-CDFC	National Government Constituency Development Fund Committee
NSCA	National Sub-County Accountant
PFM	Public Finance Management
PMCs	Project Management Committees
PWD	Persons with Disability
FY	Financial Year

B. Definition of Key Terms

Fiduciary Management- Members of Management directly entrusted with the responsibility of financial resources of the entity.

Comparative Year- Means the prior period.

2. Key Constituency Information and Management

(a) Background information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established under the NG-CDF Act 2015 (amended 2023). The Act is a successor to the Constituencies Development Fund (CDF) Act of 2003 which initiated the Fund and its subsequent amendments/reviews of 2007 and 2013. At the cabinet level, NG-CDF is represented by the Cabinet Secretary for the Treasury, who is responsible for the Fund's general policy and strategic direction.

Mandate

The mandate of the Fund as derived from sec (3) of the NG-CDF Act, 2015, is to:

- a) Recognize the constituency as a platform for the identification, performance, and implementation of national government functions.
- b) Facilitate the performance and implementation of national government functions in all parts of the Republic pursuant to Article 6 (3) of the Constitution;
- c) Provide for the participation of the people in the determination and implementation of identified national government development projects at the constituency level pursuant to Article 10(2)(a) of the Constitution;
- d) Promote the national values of human dignity, equity, social justice, inclusiveness, equality, human rights, non-discrimination, and protection of the marginalized pursuant to Article 10(2)(b) of the Constitution;
- e) Provide for the sustainable development of all parts of the Republic pursuant to Article 10(2)(d) of the Constitution;
- f) Provide a legislative and policy framework pursuant to Article 21(2) of the Constitution for the progressive realisation of the economic and social rights guaranteed under Article 43 of the Constitution;
- g) Provide mechanisms for the National Assembly to exercise oversight over the performance of exclusive national government functions at the constituency level as provided for under Article 95 of the Constitution;

- h) Authorize withdrawal of money from the Consolidated Fund as provided under Article 206(2)(c) of the Constitution;
- i) Provide mechanisms for supplementing infrastructure development at the constituency level in matters falling within the exclusive functions of the national government at that level in accordance with the Constitution;
- j) Provide a framework for citizens-led development to assist the national government in planning and prioritizing the use of its resources;
- k) Create a harmonious relationship between citizens and the national government and its officers in local development;
- l) Provide a platform for citizens' participation in service delivery;
- m) Build local accountability and transparency in the use of resources; and
- n) Provide for a public finance system that promotes an equitable society and in particular expenditure that promotes equitable development of the country by making special provisions for marginalized groups and areas pursuant to Article 201(b)(iii) of the Constitution.

Vision

Equitable Socio-economic development countrywide.

Mission

To provide leadership and policy direction for effective and efficient management of the Fund.

Core Values

1. Transparency and Accountability
2. Professionalism and Integrity
3. Commitment and Teamwork
4. Neutrality and Objectivity
5. Timeliness and Excellence
6. Advocacy for Citizen Participation

Functions of NG-CDF Committee

The functions of the NG-CDF Committee are outlined in section 11 of The National Government Constituencies Development Fund Regulations, 2016.

(b) Key Management

The NGCDF Suba South Constituency's day-to-day management is under the following key organs:

- i. National Government Constituencies Development Fund Board (NGCDFB)
- ii. National Government Constituency Development Fund Committee (NGCDFC)

Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2025 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	AIE holder	Erick Kimathi Kiraithe
2.	National Sub-County Accountant	Moses O. Jones
3.	Chairman NGCDFC	Walter Achango Oloo
4.	Member NGCDFC	Janet Aketch Mboya
5.	Member NG CDFC	Nancy Akoth Otieno Isaack Juma Makori

(c) Fiduciary Oversight Arrangements

The Audit Committee of the NGCDF Board provides overall fiduciary oversight on the activities of the NGCDF Suba South Constituency. The reports and recommendations of the Audit Committee, when adopted by the NGCDF Board, are forwarded to the Constituency Committee for action. The Board forwards any matters that require policy guidance to the Cabinet Secretary and National Assembly Select Committee.

(d) NGCDF Suba South Constituency Headquarters

Suba South NG-CDF Office Building
Off Sindo-Mbita Road
Sindo, KENYA.

(e) NGCDF Suba South Constituency Contacts

P.O. Box 24-40308 Sindo
Telephone: (254) 726738056
E-mail: cdsubasouth@ngcdf.go.ke
Website: www.subasouth@ngcdf.go.ke

(f) NGCDF Suba South Constituency Bankers

1. Operations Account

Equity Bank (Kenya) Limited
Mbita Point Branch
P.O. Box 101-40305
Mbita

2. Deposit account

Equity Bank (Kenya) Limited
Mbita Point Branch
P.O. Box 101-40305
Mbita

3. PMC Accounts

Equity Bank (Kenya) Limited
Mbita Point Branch
P.O. Box 101-40305
Mbita

Co-operative Bank Limited
Mbita Branch
P.O Box 213-40305
Mbita

KCB
Mbita Branch
P.O Box 322-40305
Mbita



(g) Independent Auditor

Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

(h) Principal Legal Adviser

The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

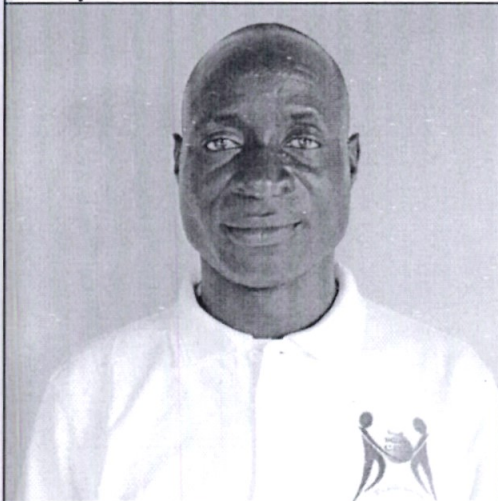
3. NGCDF Committee

Name	Details
 <p data-bbox="177 837 639 913">Walter Achango Oloo-Chairman Male Adult Representative</p>	<p data-bbox="671 367 1347 405">Walter Achango Oloo was born on 20/12/1976</p> <p data-bbox="671 445 1519 557">He attended Oriwo Boys Secondary school where he attained a mean grade of B- in the KCSE examination of the year 1994.</p> <p data-bbox="671 598 1519 710">He ventured into business where he runs various ventures including a hardware shop, a supermarket and rental houses in Magunga and Sori towns.</p>
 <p data-bbox="177 1417 608 1494">Janet Aketch Mboya-Secretary Female Adult Representative</p>	<p data-bbox="671 976 1410 1014">Janet Aketch Mboya was born on 01st January, 1976</p> <p data-bbox="671 1055 1485 1205">She attended Sindo Primary and attained her KCPE 1990 from the same School. She also attended Kioge Girls Secondary and did her KCSE in 1994 and attained a mean grade of D+.</p> <p data-bbox="671 1245 1509 1319">She later pursued a Diploma in Business Administration and graduated in the year 2014</p> <p data-bbox="671 1359 1326 1433">She is a business woman who owns and runs a Comprehensive School within Sindo town.</p>



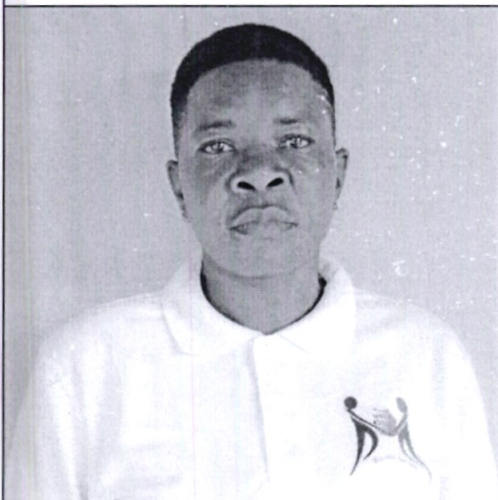
**Evans Otieno Ogolah
 Co-opted Member**

Evans Otieno Ogolah was born on 26th of January, 1982.
 He attended his primary Education at Lwanda Primary School where he completed in the year 1997.
 He proceeded to pursue his Secondary Education where he attained a mean grade of D+.
 He is a businessman who is engaged in a hardware and construction materials supplies in Lakinyero area of Magunga which he runs successfully.




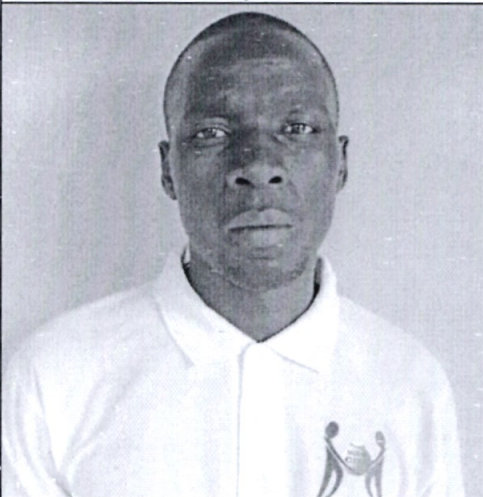
**Peter Okoth Chaulo
 Male Adult Representative**

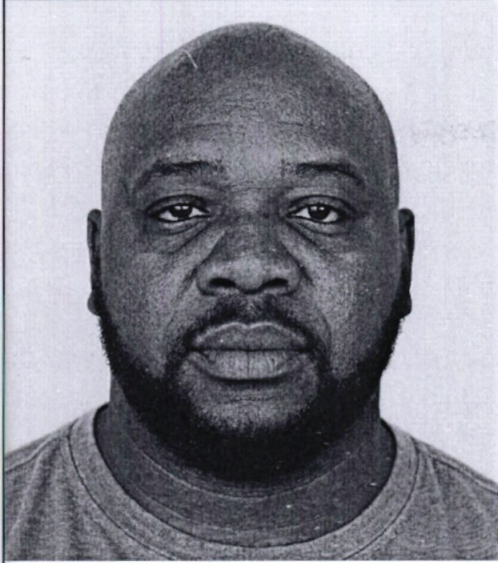
Peter Okoth Chaulo was born on 10/04/1986
 He started his Primary School education at Kumuinda Primary where he did his KCPE in the year 2000.
 He proceeded to Tonga Boys Secondary School where he attained a mean Grade of D+ in the examination of the year 2004.
 He is engaged in farming at Nyagwethe area of Gwassi North ward.



Rael Acquinter Were

Rael was born on 01/02/1984.
 She attended her Primary School education at Busagwa Primary School where she completed in the year 1999.
 She later did her KCSE as a private candidate in the year 2016 and she attained a mean grade of D-.
 She is currently engaged in fish supplies business.

<p>Female Adult Representative</p>	
 <p>Nancy Akoth Otieno Female Youth Representative</p>	<p>Nancy Akoth Otieno was born on 16/08/1989.</p> <p>She attended her education at Primary Anduu Primary School and completed in the year 2005.</p> <p>She joined St. Joseph Miranga Mixed Secondary school and completed her secondary education in 2009 attaining a mean grade of D.</p> <p>She later pursued a Diploma in ECDE and completed in 2019</p> <p>She is currently serving as an ECDE at Olando Comprehensive school on B.O.M terms.</p>
 <p>Isaack Juma Makori Representative of Persons Living with Disability</p>	<p>Isaack Juma Makori was born on 11/12/1982.</p> <p>He attained his primary education at Nyenya Primary School where he completed in the year 1997 and he proceeded to God Bura Secondary School where he attained a C- in the year 2001.</p> <p>He is a farmer within Nyenga area of Gwassi South ward.</p>



The late Otieno Ang'inya Kennedy
Male Youth Representative

The late Kennedy Otieno Ang'inya was born on 28/05/1990.

He attended Waiga Primary School and completed his primary school education in the year 2006. He attended his Secondary School Education at Nyagwethe Mixed Secondary School where he sat the KCPE of the year 2011 and attained a mean grade of D+.

He attained a Diploma in community development and social work in 2014.

Until his demise on 11th July 2025, he was a social worker involved in community health initiatives.



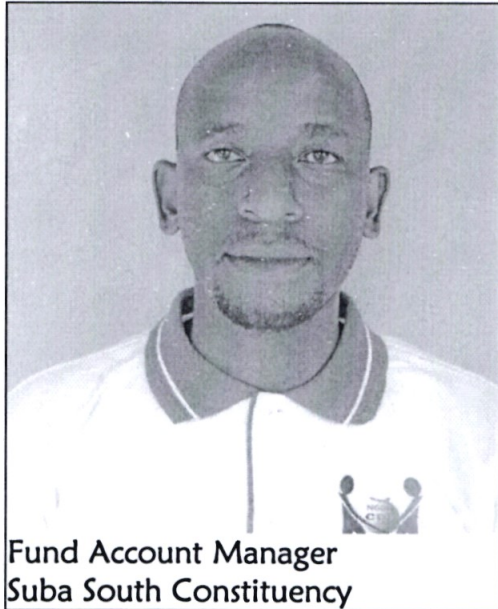
Deputy County Commissioner
Suba South Sub-County

Irene Kemunto Hamisi was born on 08/04/1974.

She attained her degree (Bachelor of arts) from Kenyatta University in the year 1997.

She has been a career civil servant in administration for the last 18 years starting as a District Officer rising through the ranks to her current position of Deputy County Commissioner.

She is currently serving as the Deputy County Commissioner of Suba South Sub County from November 2024 to date.



Erick Kimathi Kiraithe is the Fund Account Manger for Suba South NG-CDF and an Ex-Officio Member of Suba South NG-CDF Committee. The role he has served in since his first appointment in March 2023.

He was born on 09/06/1986 and he is currently aged 39 years.

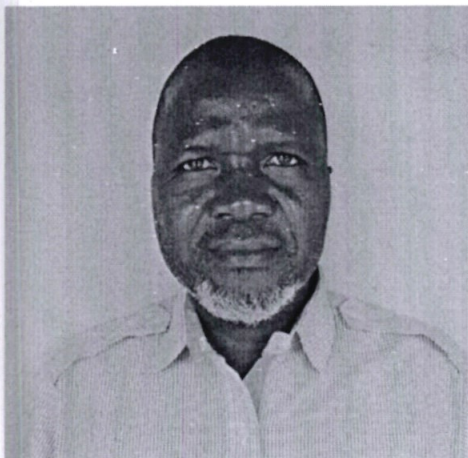
He is a holder of bachelor of commerce degree and CPA II. He has a vast experience as an accountant and a banker a career that started in 2012.

The following member exited during the financial year:

Sebastian Hildard Okiring-DCC

Served for 4 months in the financial year 2024/2025

4. NG-CDFC Chairman's Report



Walter Achango Oloo
Chairman, Suba South NG-CDF Committee

Introduction

It is with great honor that I present the Suba South NG-CDF Chairman's Report for the financial year ending 30th June 2025. This report provides a detailed review of our development journey over the past twelve months, highlighting financial performance, project implementation status, and the challenges encountered. Importantly, we offer a comparative analysis against the previous financial year (2023/2024) to help assess the direction and pace of development within our constituency.

Financial Performance Overview

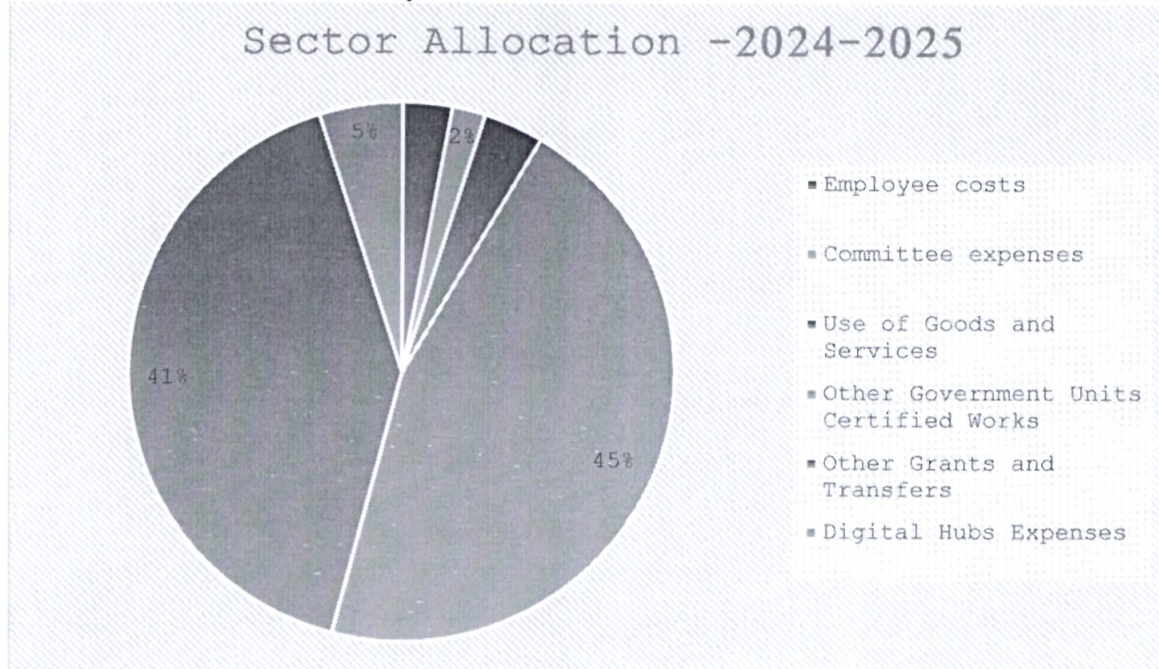
The 2024/2025 financial year began on a hopeful note although our fiscal space reduced slightly. Our final budget was **Kshs. 252,368,844**, down from **Kshs. 258,760,244** in the 2023/2024 financial year. This decline was driven primarily by the fact that in the prior financial year 2023/2024, the constituency had received a grant of **Kshs. 11,028,033** from the Ministry of Education for construction of Classrooms and Integrated learning centers within the Junior Secondary schools which is based on grade seven enrollment.

The total disbursement received during the year was **Kshs. 145,086,476** a notable decrease compared to the **Kshs. 197,350,610** received in the preceding year.

In the same note, our **budget absorption was 50%** in 2024/2025, down from **68.3%** in the previous financial year. This decline was not due to planning gaps, but rather the result of

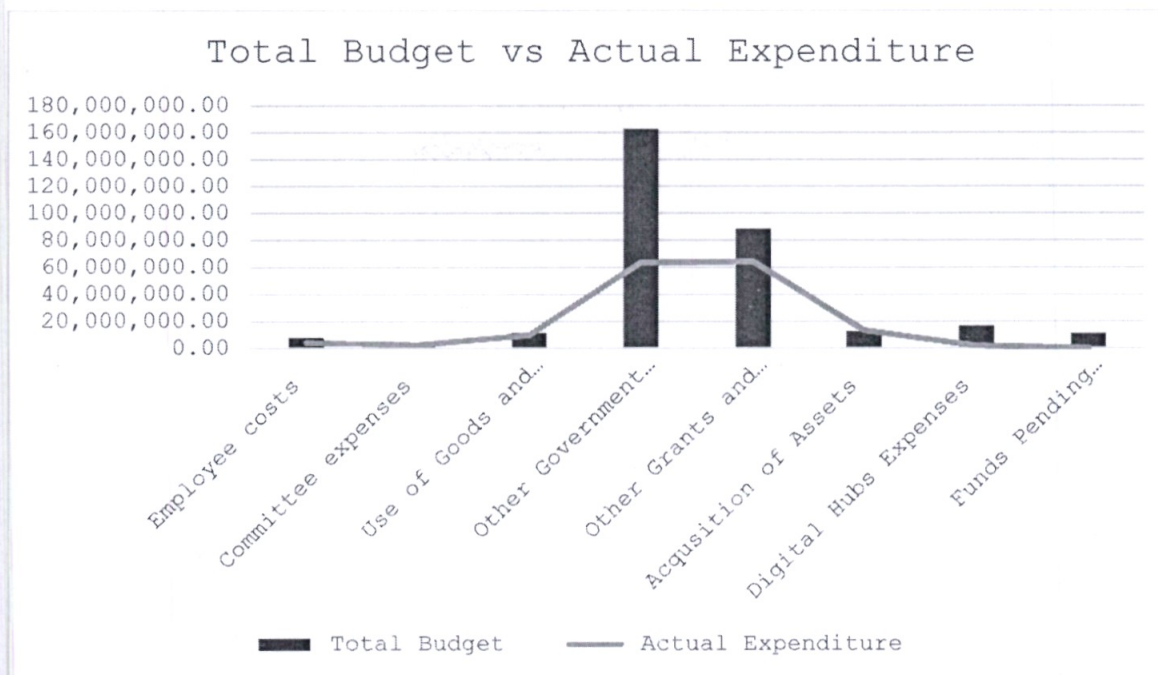
several external and operational factors. Chief among these were delays in disbursement, rising implementation costs, and more rigorous project vetting standards. Moreover, the Committee made a strategic pivot toward long-term, capital-intensive investments that naturally span multiple financial years.

Project Prioritization and Expenditure Trends



Infrastructure and Certified Works

Infrastructure development and certified works continued to form a central pillar of our development agenda. In 2024/2025, we allocated **Kshs. 63.4 million** to this category, representing close to **40%** of actual expenditure. While still significant, this figure marked a decline from the **Kshs. 100 million** allocated to infrastructure in the previous financial year. This reduction aligns with our shift in focus, from numerous small projects to fewer, high-impact and transformative infrastructure investments.



Social Support and Human Capital Development

Grants and social transfers, particularly bursaries, emergency responses, and climate change interventions, remained a key priority. These consumed **Kshs. 64.1 million**, a slight increase from the **Kshs. 63 million** recorded in 2023/2024. Bursaries alone accounted for over **Kshs. 40 million**, with each secondary school student receiving **Kshs. 10,000** and each higher learning student receiving **Kshs. 20,000**. This program directly benefitted thousands of students, reinforcing our commitment to equitable access to education.

Investment in Digital Innovation and Assets

One of the most promising developments in 2024/2025 was the constituency’s foray into digital transformation. A total of **Kshs. 13.3 million** was spent on capital assets, including ICT infrastructure and a new operations vehicle to enhance project supervision. The **Digital Hubs initiative**, with a planned budget of **Kshs. 8.4 million**, was launched to support youth innovation and digital literacy. However, by year-end, only **Kshs. 1.62 million** had been utilized due to slow uptake and early-stage implementation hurdles.

Lean Administrative Costs

Administrative efficiency remained a guiding principle. Spending on employee costs and committee operations stood at **Kshs. 4.833 million** and **Kshs. 2.6 million** respectively. These modest figures demonstrate our commitment to channeling the largest portion of available funds toward community development rather than operational overheads.

Key Challenges

Despite the progress achieved, the financial year under review presented several structural and implementation challenges.

Delayed Disbursements and Budget Absorption

Late disbursement of funds by the NG-CDF Board remained a major bottleneck, contributing to low absorption rates and delayed project rollouts. This was compounded by a misalignment between the NG-CDF disbursement schedule and the academic calendar. While bursary funds are often received in January, some students report to school as early as September, forcing households to find interim solutions and placing undue pressure on family finances.

Inflation and Cost Escalation

Rising inflation and volatile exchange rates significantly affected construction costs, often leading to budget overruns, scope reductions, or retendering. The transition to the Government's electronic procurement platform (e-GPS) also revealed capacity gaps among Committee members, staff, and contractors, slowing down procurement efficiency.

Bursary Pressure and Accountability Gaps

The rollout of the new Higher Education Funding Model (NHEFM) raised out-of-pocket expenses for many households, escalating the demand for bursaries. This increased pressure on an already stretched bursary fund. Additionally, inconsistent collection of signed acknowledgment receipts from institutions hindered financial accountability and audit processes.

Legal and Policy Uncertainty

The recent court ruling declaring the NG-CDF Act unconstitutional and mandating a cessation of operations by **30th June 2026** has created uncertainty for staff, contractors, and communities. This development has complicated planning for multi-year projects and raised concerns about the sustainability of NG-CDF-supported initiatives.

Mitigating Strategies

Looking ahead, our focus is firmly set on completing ongoing projects to avoid wastage and ensure maximum impact. The Committee intends to adopt the following mitigation strategies:

- **Advocate for timely disbursement** of funds and prioritize shovel-ready projects to reduce startup delays.
- **Align bursary schedules** with academic calendars through proactive budgeting and faster fund deployment.
- **Expand digital capacity** for Committee members and contractors to maximize benefits from the e-GPS system.
- **Phase high-cost projects**, allowing for flexible budgeting in response to inflation and market changes.
- **Intensify community engagement**, especially in response to demands for more equitable ward-level project distribution.



Fig 1: Administration Block at Osiri Primary School



Fig 2: JSS laboratory at SIndo Primary School



Fig 3: Chief's Office at Nyadenda Location

Conclusion

The financial year 2024/2025 was marked by both cautious implementation and strategic shifts. Although expenditure absorption was slower than the previous year, this reflected a deliberate movement toward high-impact, long-term investments rather than inefficiency. Our development agenda is now better aligned with evolving needs, including digital inclusion, education support, and climate resilience.

In closing, I express my deep gratitude to the NG-CDF Committee, the project management teams, government partners, and the people of Suba South. Your trust and collaboration remain the cornerstone of our efforts. As we approach a potentially transitional period in 2025–2026, we remain committed to delivering on our mandate with transparency, innovation, and impact,

.....

Walter Achango Oloo
Chairman NGCDF Committee

5. Statement Of Performance Against Predetermined Objectives for FY2024/2025

Introduction

Section 81 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer, when preparing financial statements of each National Government entity in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the national government entity's performance against predetermined objectives.

The key development objectives of the *NGCDF Suba South Constituency 2022-2027* plan are to:

- a) To develop a vision of the developed Suba South constituency through a consultative process.
- b) To promote participation in the development agenda by involving the community in determining their own needs and priorities.
- c) To realistically prioritize the constituency's development needs through analysis and identification of critical problems and opportunities and in the face of prevailing economic situation globally, regionally and locally.

Progress on the attainment of Strategic development objectives

To implement and cascade the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic, and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified for reasons of tracking progress and performance measurement. Below, we provide the progress on attaining the stated objectives:

Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school by: a) Constructing and equipping school infrastructure Awarding adequate bursaries to needy students in both secondary and tertiary institutions	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	a) Number of usable physical infrastructure built in primary, secondary, and tertiary institutions Number of bursary's beneficiaries at all levels	In FY 2024/2025 NGCDF Suba South enhanced bursary award to Kshs. 10,000 for beneficiaries in secondary schools and Kshs. 20,000 for beneficiaries in tertiary institutions. In total; 2,229 students in secondary schools, 828 students in tertiary institutions, 18 in special schools and 125 in vocational colleges benefitted. Also; In the financial year 2024/2025 Suba South constructed two

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

				<p>standard classrooms in the following schools:</p> <ol style="list-style-type: none"> 1. Omuthuma Primary School 2. Osoi Primary School 3. Kikubi Primary School 4. Seka Primary School 5. Obanga Mixed Secondary School 6. Ogaka Girls School <p>Additionally, Suba South Constructed 2 JSS Laboratories in the following Schools.</p> <ol style="list-style-type: none"> 1. Sindo Primary School 2. Magunga Primary School
Climate change mitigation Activities	To promote environmental sustainability by enhancing water harvesting, installing energy saving jikos and planting trees in learning institutions.	Increased installation of water collecting facilities, Increased Forest cover and provision of clean cooking jikos	Number of water collecting facilities installed, number of installed clean jikos and number of planted trees	<p>In the financial year 2024/2025 Suba South implemented the following climate change mitigation activities:</p> <ol style="list-style-type: none"> 1) Planting indigenous trees at Pundo Primary School 2) installation of water collection tank and gutters at God Oloo Primary School 3) installation of 500w solar power system at Kiwa mixed secondary 4) Installation of 2 energy saving jikos
Emergency	Mitigate against any unforeseen occurrences in the constituency during the year by rehabilitating damaged infrastructure	Rehabilitated infrastructure	Number of rehabilitated infrastructures	<p>In the financial year 2024/2025 Suba South implemented the following emergency projects:</p> <ol style="list-style-type: none"> 1) rehabilitation of a broken-down solar water

				<p>pumping system at Kiabuya Mixe Secondary School</p> <p>2) rehabilitation of a broken-down solar water pumping system at Kingenyo Primary School</p> <p>3) construction of a 4-door pit latrine at Ongayo Primary School.</p> <p>4) Construction of a 4-door pit latrine at Sumba Primary School.</p>
Security	To promote security and peaceful co-existence during the year by constructing security infrastructure		a) Number of usable physical infrastructure built in Security installations	<p>In the financial year 2024/2025 Suba South implemented the following security projects:</p> <p>Purchase and delivery of Security patrol boat for the following Beach management units:</p> <ol style="list-style-type: none"> 1. Sindo Gateway BMU 2. Nyandiwa BMU 3. Rasira BMU & 4. Kiwa 'B' BMU

6. Governance Statement

a. NG-CDFC process of appointment

Section 43(1), (2), (3) and (4) of the National Government Constituencies Development Fund (NG-CDF) Act state that:

1. there is established a National Government Constituency Development Fund Committee for every constituency.
2. Constituency Committee Shall comprise of;
 - a) the national government official responsible for co-ordination of national government functions.
 - b) two men each nominated in accordance with subsection (3), one of whom shall be a youth at the date of appointment
 - c) two women nominated in accordance with subsection (3) one of Whom shall be a youth at the date of appointment;
 - d) one person with disability nominated by a registered group representing persons with disabilities in the constituency in accordance with subsection (3);
 - e) two persons nominated by the constituency office established under Regulations made pursuant to the Parliamentary Service Act;
 - f) the officer of the Board seconded to the Constituency Committee by the Board who shall be an ex officio member without a vote.
 - g) one member co-opted by the Board in accordance with regulations made by the Board
3. The seven persons referred to in sub-section (2) (b), (d) and (e) shall be selected in such manner and shall have such qualifications as the Board may, by Regulations, prescribe.

The names of the persons selected under sub-section (3) shall be submitted by the Board to the National Assembly for approval before appointment and gazettelement by the board.

The previous NGCDFC members were gazetted on 09th December 2022 and their term ended on 29th November 2024 after serving their term of 2 years.

The NG-CDF Board vide circular no: NG-CDFB/CEO/CIRCULRS/VOL.III (002) dated **November 18, 2024** addressed to all Fund Account managers communicated the vacancies and the guidelines of the process of appointment of the NG-CDF Committees.

Pursuant to the guidelines of the circular; Suba South Constituency started the appointment process by appointment of a selection panel and declaring vacancies via a public notice reference no: **SS/NG-CDF/NG-CDFC/ADVRT/02/2024/2025 VOL I (4)** dated **09th December, 2024**.

The selection panel finalized its work and forwarded the names of the recommended nominees to the NG-CDF Board via a letter ref no: **SS/NG-CDF/NGCDFB/APP/2024/ VOL I (1)** dated **27th December, 2024** for approval and gazettelement.

The recommended nominees were constituted as follows:

S/No	Category	Name
1	Male Adult Representative	Walter Achango Oloo
2	Male Adult Representative	Peter Okoth Chaulo
3	Male Youth Representative	Otieno Anginya Kennedy
4	Female Adult Representative	Janet Aketch Mboya
5	Female Adult Representative	Rael Acquinter Were
6	Female Youth Representative	Nancy Akoth Otieno
7	Representative of Persons Living with Disability	Isaack Juma Makori
8	Co-opted Member	Evans Otieno Ogolah

The nominated members were consequently approved and gazetted vide a gazette notice Vol.CXXVII-No. 98 dated 21st May, 2025.

b. NG-CDFC Tenure

According to the NG-CDF Amendment Act of 2023, the tenure of Suba South NG-CDF Committee is two (2) years with the possibility of reappointment for one additional term.

c. The Role of the Constituency Committee

According to the NG-CDF act, the functions of the constituency Committee include the following:

- a) build the capacity of project management committees and sensitize the Community on the operations of the Fund;

- b) consider all project proposals from all wards in the Constituency and any other projects which a Constituency Committee considers beneficial to the Constituency;
- c) ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act;
- d) ensure that project proposals submitted to the Board include detailed budget proposals, procurement plans and work plans;
- e) in approving a project and before submitting the project to the Board for consideration, satisfy itself and make a declaration to the effect that such project (works and services) falls within the functions of the National Government under the Constitution;
- f) consult with relevant government departments to ensure that cost estimates for projects are realistic;
- g) in considering joint projects, ensure that the participating constituencies enter into negotiations for effective implementation of such projects;
- h) subject to the provisions of the Act and these Regulations, enter into a memorandum of understanding with collaborating partners, detailing all aspects of funding and implementation, before respective constituencies approve such a project for joint funding;
- i) rank projects proposals in order of priority while ensuring that on-going projects take precedence;
- j) ensure that all projects receive adequate funding and are completed within three years;
- k) where a project involves purchase of a parcel of land or a building, ensure that the ownership thereof is duly verified and ownership documents authenticated with relevant government agencies;
- l) ensure that projects proposed for funding fulfil the requirements provided in the Act and relevant circulars issued by the Board;
- m) monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board;
- n) ensure that project reports are prepared and submitted to the Board;
- o) ensure formation of project management committees, opening of project accounts, project implementation and closure of projects;

d. Removal of a member

The members of a Constituency Committee may be removed in accordance with section 43 (13) and (14) of the Act upon a receipt of a complaint against a member. A complaint against a member of a Constituency Committee shall be deposited with the National Government Constituency Office. The complaint referred to in paragraph (2) shall clearly set out the particulars of the issues complained of. The Secretary shall convene a special meeting in accordance with these Regulations to deliberate on the complaint, but the member against whom the complaint is raised shall not participate in such a meeting. If, at a meeting held pursuant to paragraph (4), members determine that sufficient grounds exist requiring the member against whom the complaint is raised to respond to the issues complained of, the secretary shall by notice, require the member to respond to the issues received in the complaint within fourteen days of the date of the notice. A copy of the complaint and any other grounds of removal shall be attached to the notice issued under paragraph (5). The member against whom the complaint is raised may be required to respond to the complaint in writing. The member against whom a complaint is raised may, in addition to the written response required under paragraph (7), elect to be heard orally, and a Constituency Committee may hear such a member. The member against whom a complaint is made may call witnesses. If the member against whom a complaint is raised chooses not to submit a response in writing or to attend the hearings, a Constituency Committee may proceed to determine the matter.

Notwithstanding paragraph (10), a Constituency Committee may summon the member against whom the complaint is made to clarify any issue, and such member shall attend the hearing. If the member against whom a complaint is made fails to respond to the complaint as may be directed by a Constituency Committee, the Committee may proceed and decide based on the evidence available.

A Constituency Committee shall issue its decision on the complaint within seven days after the conclusion of the hearing. If a Constituency Committee resolves to remove the member against whom a complaint is made, the secretary shall communicate the decision of the Constituency Committee to the Board within fourteen days of the decision. The communication to the Board under paragraph (14) shall include duly executed proceedings, together with all the supporting

documents. The Board shall, within thirty days after receipt of the communication in paragraph (14), consider the matter and issue a final declaration which shall be binding on all parties. A member against whom a complaint is made shall not, participate in the deliberations and activities of a Constituency Committee from the time the Constituency Committee starts considering the complaint. If a member against whom a complaint is made responds to the allegations to the satisfaction of a Constituency Committee and the committee decides in favour of such member, the member shall resume duties as a member of the Committee.

A Constituency Committee may remove the Chairperson or secretary from their respective positions for failing to perform their functions, under regulations 8 and 9 respectively. A Constituency Committee shall inform the Chairperson or Secretary of the reasons for the proposed removal, and shall give the Chairperson or Secretary reasonable opportunity to be heard. A Chairperson or secretary who is removed pursuant to paragraph (19) shall continue to discharge duties as a member of the Constituency Committee. At least two thirds of the total membership of a Constituency Committee shall be required to remove the Chairperson or secretary from office.

e. NG-CDFC Induction and training

In the period, the NG-CDF Board organized an induction workshop for the gazetted NG-CDF Committee members in Embu from 10th July, 2025 to 14th July, 2025.

During the induction, members were trained on their roles in relation to the management of the NG-CDF at the constituency level.

f. Number of meetings;

NG-CDF Act Section 43 (11) stipulates that NG-CDFC shall have a maximum of twenty-four meetings per year and not less than twelve including sub-committee meetings.

In Suba South Constituency, the NG-CDF Committee conducted twelve meetings and twelve sub-committee meetings.

	Name of committee member	Meetings held											
		03/07/24	02/08/24	04/09/24	01/10/24	04/11/24	02/12/24	06/01/25	03/02/25	03/03/25	01/04/25	05/05/25	03/06/25
1	Walter Achango oloo	√	√	√	√	√	√	√	√	√	√	√	√
2	Janet Aketch Mboya	√	√	√	√	√	√	√	√	√	√	√	√
3	Otieno Kennedy Ang'inya	√	√	√	√	√	√	√	√	√	√	√	√
4	Nancy Akoth Otieno	√	√	√	√	√	√	√	√	√	√	√	√
5	Isaack Juma Makori	√	√	√	√	√	√	√	√	√	√	√	√
6	Peter Okoth Chaulo	√	√	√	√	√	√	√	√	√	√	√	√
7	Rael Acquinter Were	√	√	√	√	√	√	√	√	√	√	√	√
8	Evans Otieno Ogolah	√	√	√	√	√	√	√	√	√	√	√	√
9	Irene Kemunto Hamisi	√	√	√	√	√	√	√	√	√	√	√	√

g. Remuneration Rates

The sitting allowances payable are Kshs.5,000.00 per member and Kshs.7,000.00 for the chairperson for each meeting attended.

h. Disclose the policy on conflict of interest

Suba South NGCDF Committee has taken proactive approach to management of conflict of interest that may arise from its members and other relevant stakeholders either directly or in directly. To this end, at the beginning of every committee meeting all members are required to declare any conflict of interest that they may have on the agenda of every meeting which whenever declared, would be recorded in the minutes and in the conflict-of-interest register.

i. Succession plan

Vacancies arising as a result of the removal or end of tenure of the members of the Constituency Committee, the vacancy shall be filled in the manner set out in section 43 and minutes of the meeting shall indicate the fact of the removal or appointment of members.

j. Ethics and code of conduct

The NG-CDFC members shall be of good conduct and adhere to chapter six of the constitution and shall not have any trail of criminal record. Members shall not indulge in

any act in contravention the act and other law, policy regulations that govern operations of NG-CDF.

k. Risk Management

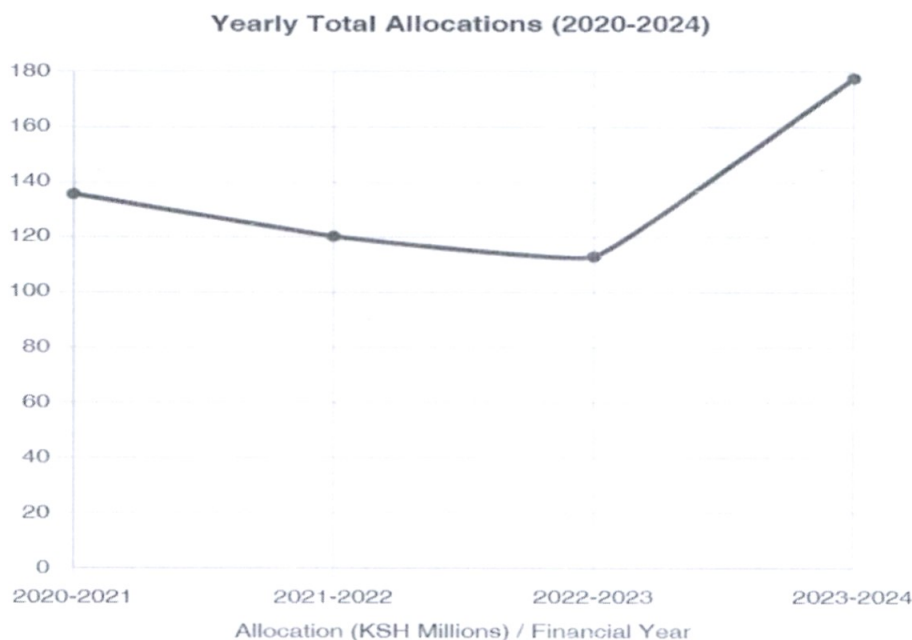
The constituency has a risk policy which they observe and are required to maintain a risk register. The committee has the following responsibilities:

- a) Risk identification to identify potential risks that may affect its day-to-day operations
- b) Risk assessment and analysis to assess the likelihood and potential impact of identified risks on operations
- c) Risk mitigation and control by developing strategies to minimize the impact of risks or prevent them from occurring and ensure proper controls are in place to monitor ongoing risks and implement preventive measures during project execution.
- d) Compliance with Legal and Regulatory Frameworks by ensuring that all NG-CDF projects adhere to legal and regulatory frameworks to avoid risks associated with non-compliance. This includes compliance with procurement laws, environmental impact assessments, and financial regulations.
- e) Stakeholder engagement and communication by regularly engaging with stakeholders, including the community, local government officials, and contractors, to manage expectations and prevent risks related to miscommunication or misunderstanding.
- f) Monitoring and Evaluation by continuously monitoring the progress of projects to identify emerging risks early and take corrective action.
- g) Crisis Management which is achieved by developing and implementing crisis management plans for responding to unforeseen events that could severely disrupt projects
- h) Capacity Building to ensure that committee members and staff involved in project implementation are trained in risk management practices. This includes financial management, project management, and compliance training to enhance overall risk awareness.

7. Management Discussion and Analysis

The Management Discussion and Analysis (MD&A) presents an overview of the performance of the Suba South Constituency Development Fund (NG-CDF) between the financial years 2020–2021 and 2023–2024. It provides insights into budgetary allocations, sectoral priorities, and the impact of funded initiatives on community development across the constituency. Data is drawn from approved project lists and covers sectors such as Education, Bursary, Administration and Recurrent, Emergency, Security, Environment, Water, Monitoring and Evaluation, Asset Acquisition, Constituency Oversight, and other support projects.

During the four-year review period, Suba South NG-CDF received a total allocation of KSH 545,914,844.31. Annual allocations varied, with KSH 135,488,879.31 disbursed in 2020–2021, KSH 120,088,879.00 in 2021–2022, KSH 112,715,033.00 in 2022–2023, and KSH 177,622,053.00 in 2023–2024. The significant increase in the final year reflects a deliberate policy shift towards accelerated infrastructure development and an expanded focus on emerging community priorities.



Education remained the dominant sector throughout the period, absorbing KSH 249,156,666.00, or approximately 45.6 percent of the total allocations. Resources were directed towards the construction and completion of classrooms, administration blocks, dormitories, and laboratories, alongside major renovation works in existing facilities. Projects such as the construction of a vocational college workshop in 2021–2022 and fencing of schools in later years highlighted a focus on improving both educational infrastructure and school

safety. The introduction of specialized investments, including laboratories and ICT hubs in 2023–2024, signaled a transition towards modernization of the learning environment across the wards of Gwassi South, Gwassi North, Kaksingri West, and Ruma Kaksingri East.

The bursary program received the second largest allocation, amounting to KSH 145,839,050.00, or about 26.7 percent of the total budget. This intervention provided direct financial support to needy learners in secondary, tertiary, special, and vocational institutions. While the bursary program maintained steady funding levels across the four years, allocations expanded in 2022–2023 and 2023–2024 to include vocational training such as driving schools, demonstrating a more inclusive approach to meeting the diverse educational needs of the constituency's students.

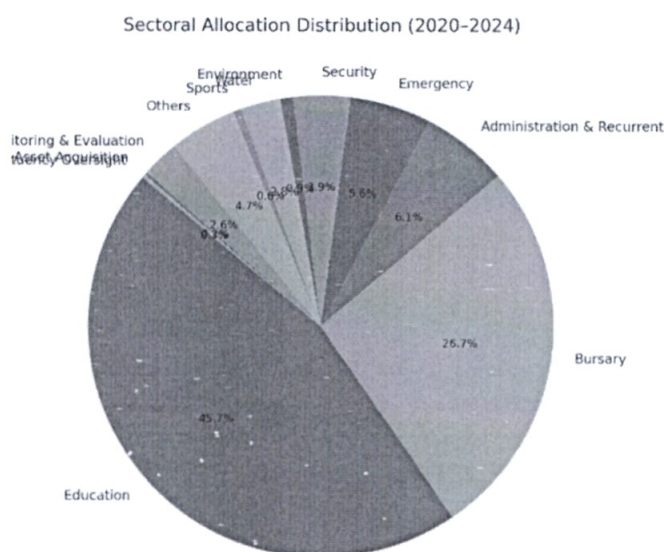
Administration and recurrent expenditure accounted for KSH 33,159,775.41, representing 6.1 percent of the total allocations. These funds facilitated staff salaries, gratuities, allowances, and operational expenses, with a slight increase in 2023–2024 due to new statutory deductions and staff-related allowances. Monitoring and Evaluation activities also received consistent funding, amounting to KSH 14,281,219.00, or 2.6 percent of the total allocations, ensuring effective oversight, capacity building, and accountability in project delivery.

Emergency interventions were supported through allocations totaling KSH 30,788,694.90, or 5.6 percent of the total funds. These resources provided a contingency buffer to address urgent needs such as natural disasters and sudden infrastructure failures, with the highest allocation being recorded in 2023–2024. Security, which absorbed KSH 21,350,000.00, or 3.9 percent of the total, gained momentum in the final year of the period. Investments included the construction of administrative offices for chiefs, police posts, and the purchase of security surveillance boats to enhance law enforcement and lake security, reflecting the constituency's unique geographical context along Lake Victoria.

Environmental sustainability projects received KSH 4,706,513.00, or 0.9 percent of the total budget, with notable growth in 2023–2024. Key initiatives included tree planting, solar energy installations, pit latrine construction, and the distribution of energy-saving cookstoves. These interventions aligned with global climate change mitigation efforts while addressing local environmental challenges. Water development was largely concentrated in 2020–2021, when KSH 15,000,000.00 was allocated to borehole drilling and the installation of solar-powered pumping units and water tanks. No additional water allocations were recorded in subsequent years, suggesting completion of priority projects in that sector.

Unlike previous years, sports was excluded as a fundable project in 2023–2024 following policy directives. Between 2020–2023, sports activities had received a modest allocation of KSH 3,014,300.00, supporting tournaments, provision of uniforms, and purchase of sports equipment. These initiatives promoted youth participation and community cohesion, but their exclusion in the final year marked a shift in funding priorities.

Other allocations, amounting to KSH 25,686,476.00, or 4.7 percent of the budget, supported projects such as construction and renovation of NG-CDF offices, development of ICT hubs, acquisition of office equipment, and procurement of a new NG-CDF motor vehicle. Additional targeted allocations included asset acquisition (KSH 1,050,000.00) for office furniture and constituency oversight (KSH 1,382,150.00) to strengthen transparency through allowances and facilitation of the Constituency Oversight Committee.



Overall, the analysis of sectoral allocations highlights several key trends. Education and bursary programs absorbed nearly 72 percent of the total budget, reaffirming the constituency’s prioritization of human capital development. Security and environmental funding grew significantly in the later years, reflecting evolving community needs. Administrative and monitoring costs remained stable, ensuring operational continuity without compromising development spending. Budget fluctuations across the period, particularly the sharp rise in 2023–2024, demonstrate both the responsiveness of funding to emerging priorities and the constituency’s drive to fast-track development.

Despite these gains, challenges persisted. Several projects, such as the Nyenga Secondary School dormitory, remained ongoing across multiple years, exposing them to risks of funding delays.

The heavy concentration of resources in education and bursary support, while impactful, constrained allocations to other vital sectors such as water and environment. Inflation and rising construction costs further strained project implementation, occasionally threatening timely completion within budgeted limits.

On the other hand, opportunities for progress are clear. Investments in ICT hubs positioned the constituency to expand digital literacy and strengthen educational quality. Environmental initiatives, particularly tree planting and renewable energy, not only supported sustainability goals but also presented potential for additional funding partnerships. Community-focused initiatives, including oversight committees and grassroots engagement, offered platforms for accountability, transparency, and project ownership.

In conclusion, the Suba South NG-CDF between 2020 and 2024 demonstrated a clear strategy centered on education, bursary support, and infrastructure development. The significant budgetary expansion in 2023–2024 illustrated an ambitious commitment to addressing pressing community needs, particularly in education and security. As the constituency moves forward, it will be essential to ensure timely completion of ongoing projects, achieve a more balanced distribution of resources across sectors, and leverage opportunities in technology and environmental sustainability to maximize impact and secure long-term resilience for the community.



.....
Erick Kimathi Kiraithe
Fund Account Manager



8. Environmental and Sustainability Reporting

The Suba South National Government Constituency Development Fund (NGCDF) is mandated to facilitate local development by financing projects that improve education and security infrastructure, and the overall quality of life for its citizens.

To ensure sustainability, defined as the capacity to continue offering essential services over an extended period, Suba South NGCDF implements strategies such as investing in durable infrastructure, promoting efficient use of resources, and supporting community involvement in project planning and management.

By aligning development initiatives with sustainability goals, the NGCDF aims to create lasting impact and ensure that the benefits of its projects endure for future generations.

1. Sustainability strategy and profile -

To ensure the sustainability of Suba South Constituency, the committee funds the following key sectors with the following sustainable priorities.

- a. **Education and Training:** Suba South Constituency's focus on human capital for constituency development is entrenched in its strategy to support needy and bright students from each ward of the constituency. The intention is to empower the constituents such that in years to come, the beneficiaries at secondary school levels would have transitioned to Tertiary institutions while those at tertiary level would have transitioned to the job market as employees or employers, thereby contributing positively to the economic growth of the constituency. This strategy takes care of both marginalized groups, including girls and people living with disabilities.
- b. **Security Sector Support:** Among its key pillars, NGCDF has security as a priority area with the intention to provide a better working environment for the security providers within the constituency as well as a secure constituency. The strategy is to have a long-term collaborative working approach that enhances community engagement in security activities. This is aimed at eliminating crime and vices in the long run by providing a better working environment for law enforcement agencies while collaborating with the community in trust on matters of security.

- c. **Climate change mitigation:** The Constituency acknowledges that all its operation has an impact on the environment. Cognizant of the Sustainable development goals, the NG-CDF has allocated part of its budget to climate change mitigation activities such as afforestation, reafforestation, grassroots sensitization, and tree seedling production.

2. Environmental performance

The Constituency acknowledges that all its operation has an impact on environment. Cognizant of the Sustainable development goals, Suba South NG-CDF has allocated part of its budget for environmental conservation through activities such as water harvesting and conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion.

3. Employee welfare

We invest in providing the best working environment for our employees. Suba South constituency recruitment is guided by Employment Act, NGCDF Act, and other regulations as issued from time to time. In line with the law and regulations, the Constituency offers equal opportunity to all while adhering to the one-third gender rule and special groups. We also Recognize and appreciate our employees for exemplary performance. The reward and sanctions system is based on performance appraisal.

The constituency promotes a healthy lifestyle and provides all employees with health insurance coverage through a reliable insurance Scheme. Employees are encouraged and supported to build on their skills and knowledge continually. Suba South constituency invests in capacity-building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross-cutting issues.

The committee has a safety policy in compliance with the Occupational Safety and Health Act of 2007 (OSHA) and has ensured the work environment is conducive to everybody's movement and accessibility within the office, including PWDs. The Constituency has also put in place disaster-mitigating measures, including fire extinguishers and accessible escape routes in case of emergency.

4. Marketplace practices-

Suba South Constituency is committed to fair and ethical market practices.

The Procurement of goods and services is done through a transparent and competitive bidding process that allows equal opportunities to all participants. We support local vendors drawn from the constituency to lift them economically. Our ethical market practices ensure the fund gets value for money on all goods and services procured.

We are also committed to healthy relations with our suppliers, which are enhanced through organized sensitization forums on the procurement legal framework and ethical subject matters. We are dedicated to honouring all contracts and settling payments promptly.

NGCDF has put in efforts to ensure:

- a) Responsible competition practice by encouraging fair competition and zero tolerance to corruption.
- b) Good business practices, including cordial Supply chain and supplier relations, by honouring contracts and respecting payment practices.
- c) Responsible marketing and advertisement
- d) Product stewardship by safeguarding consumer rights and interests.

5. Community Engagements-

Suba South Constituency has endeavored to sustain community engagement through CSR as well as appreciating our existence through engaging local contractors and suppliers when necessary. We have also engaged the community through community projects.

Public Participation in Project Identification, Implementation, and Monitoring

Suba South Constituency deliberated on project proposals from all the wards in the constituency and considered the most beneficial to the constituents, considering the national development plans and policies and the constituency strategic development plan. The identified list of priority projects, both immediate and long-term, was submitted to the NGCDF Board in accordance with the Act.

Public participation is a process that directly engages the concerned stakeholders in decision-making and fully considers public input.

The NG-CDFC engaged the community through community leaders during the bursary program to identify the needy students to be awarded the bursary.

Public Awareness

This includes mechanisms for participation and cooperation with local, regional, and national agencies, as well as for conducting community-based needs assessments, public awareness campaigns, and community meetings.

Suba South Constituency has continually practiced public participation and public awareness during project identification and proposal collections in all the wards in the constituency.



.....
Name: Erick Kimathi Kiraithe
Fund Account Manager.



9. Statement Of Management Responsibilities

Section 81 (1) of the Public Finance Management Act, 2012, requires that, at the end of each financial year, the accounting officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the NGCDF-Suba South Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2025. This responsibility includes: Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; Designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; Safeguarding the assets of the entity; Selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF-Suba South Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Accrual Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency's* financial statements give a true and fair view of the state of *entity's* transactions during the financial year ended June 30, 2025, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Suba South Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NGCDF Suba South Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further, the Accounting Officer confirms that the *constituency's* financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

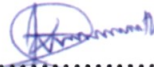
In preparing the financial statements, the Committee has assessed the Fund's ability to continue as a going concern and disclosed as applicable. Nothing has come to the attention of the Committee that the Fund will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The NGCDF- Suba South Constituency financial statements were approved and signed by the Accounting Officer on 01/12 2025.



.....
Name: Walter Achango Oloo
Chairman-NGCDF Committee



.....
Name: Erick Kimathi Kiraithe
Fund Account Manager

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O. Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - SUBA SOUTH CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

I draw your attention to the contents of my report which is in three parts:

- A. Report on Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012, and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying transitional IPSAS financial statements of National Government Constituencies Development Fund - Suba South Constituency set out on pages 1 to 73, which comprise of the statement financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts

Report of the Auditor-General on National Government Constituencies Development Fund - Suba South Constituency for the year ended 30 June, 2025

for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the transitional IPSAS financial statements present fairly, in all material respects, the transitional IPSAS financial position of National Government Constituencies Development Fund - Suba South Constituency as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis (including the transitional provisions permitted under IPSAS 33) and comply with the National Government Constituencies Development Fund Act, 2015 (amended 2022), the Public Finance Management Act, 2012 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

Basis for Qualified Opinion

1.0. Inaccuracies in the Financial Statements

Review of the financial statements submitted for audit revealed the following anomalies:

- i. The statement of changes in net assets reflects balances under revaluation reserves which actually relate to accumulated surplus.
- ii. The purchase of property, plant and equipment amount in the statement of cash flows should be a negative since its cash outflow.
- iii. Reported in the statement of financial position and statement of comparison of budget and actual amounts is opening cash book balance of Kshs.113,222,668 which differs with the previous year's audited closing balance of Kshs.86,824,122 which comprises Kshs.36,411,629 in respect of Project Management Committee (PMC) balances and Kshs.50,412,493 held in the constituency account. The resultant variance of Kshs.26,398,546 was not explained or reconciled. Further, the balance of Kshs.113,222,668 was not supported with code lists and was not reported in the project status report as roll-over projects. In addition, vote book used to control budget utilization was not provided for audit review.
- iv. Note 30 to the financial statements on cash generated from operations appears to reconcile surplus for the period of Kshs.21,638,469 reflected in the statement financial performance and net cash from operating activities amount of negative Kshs.600,086 reported in the statement of cash flows. However, scrutiny of the reconciling items revealed the following anomalies: Changes (increase) in receivables amount of Kshs.25,837,291 is shown as cash inflow, instead of cash outflow; Changes (decrease) in third party deposits of Kshs.396,130 is indicated as cash inflow instead of cash outflow; Changes (increase) in gratuity provision of Kshs.720,232 is reflected as cash outflow instead of cash inflow; and the Note excludes increase in prepayments of Kshs.453,911 which is a cash outflow.
- v. Report on capital risk management has total borrowings Kshs.162,634,208 which is not supported.

- vi. The project status report provided for audit does not provide details of any roll over projects from 2023-2024 yet the statement of Comparison of Budget and actual amounts indicates that there were previous years outstanding disbursements of Kshs.31,486,476 and cash at bank of Kshs.113,222,668.

In the circumstances, the accuracy and completeness of the financial statements could not be confirmed.

2.0. Unsupported Employee Costs

The statement of financial performance reflects employee costs amount of Kshs.4,832,715, while the payroll provided for audit indicates a corresponding amount of Kshs.2,548,836, resulting in an unsupported variance of Kshs.2,283,879. Further, perusal of employee files revealed that some files lacked copies of ID cards, bank details, NHIF/SHA and NSSF.

In the circumstances, the accuracy and completeness of the employee costs amount of Kshs.4,832,715, and the effectiveness of internal controls over the maintenance of employee files could not be confirmed.

3.0. Unsupported Committee Expenses

The statement of financial performance reflects committee expenses amount of Kshs.2,607,450. However, there was no evidence that the meetings took place and the Committee members signed attendance register for the meetings.

Further, there was no evidence to confirm that the Committee Secretary prepared a schedule of meetings to be held during the year, contrary to Regulation 7(9) of the National Government Constituencies Development Fund Regulations, 2016, which states that the Secretary shall, at the beginning of every financial year, in consultation with the officer of the Board seconded to the Constituency, prepare and table before a Constituency Committee a schedule of the meetings to be held during the year.

In the circumstances, the accuracy, completeness and propriety of the committee expenses of Kshs.2,607,450 could not be confirmed. Also, Management was in breach of the law.

4.0. Use of Goods and Services

The statement of financial performance and as disclosed in Note 12 to the financial statements reflects use of goods and services amount of Kshs.9,428,213 whose audit revealed the following unsatisfactory matters:

4.1. Unsupported Strategic Plan Expenditure

The amount of Kshs.9,428,213 includes Kshs.3,495,000 incurred on strategic plan development. However, the latter amount was not supported by payment vouchers, procurement records, and a strategic plan development report. Further, the Fund did not have a strategic plan in the year under audit.

In the circumstances, accuracy, completeness propriety the expenditure of Kshs.3,495,000 could not be confirmed.

4.2. Unsupported Training Expenses

The amount of Kshs.9,428,213 also includes training expenses of Kshs.817,900 whose supporting training needs analysis and need assessments reports, invitation letters to attendees, course completion certificates and evidences of travel were not provided for audit.

In the circumstances, the accuracy, completeness and propriety of the training expenses of Kshs.817,900 could not be confirmed.

5.0. Unsupported Primary Schools Projects Actual Expenditure

The statement of financial performance and as disclosed in Note 13 to the financial statements reflects other Government units actual expenditure of Kshs.62,631,475 which includes primary schools actual expenditure of Kshs.45,668,475. Included in the latter amount is Kshs.39,977,548 spent on seventeen (17) projects. However, the supporting procurement records such as professional opinions, acceptance letters, signed contracts, duly filled bills of quantities, and interim/completion certificates were not provided for audit.

In the circumstances, the accuracy, completeness and value for money of the expenditure of Kshs.39,977,548 could not be confirmed.

6.0. Other Grants and Transfers Actual Expenditure

The statement of financial performance and as disclosed in Note 14 to the financial statements reflects other grants and transfers actual expenditure amount of Kshs.64,434,581 whose audit revealed the following unsatisfactory matters:

6.1. Unsupported Expenditure on Bursaries

The statement of financial performance and as disclosed in Note 14 to the financial statements reflects other grants and transfers actual expenditure amount of Kshs.64,434,581 which includes bursaries to secondary schools, bursaries to tertiary institutions and bursaries to special schools amounts of Kshs.22,082,000, Kshs.20,110,000 and Kshs.309,328 respectively, totalling Kshs.42,501,328. The following unsatisfactory matters were noted:

- i. Audit verification revealed no evidence that the beneficiaries were needy cases as no Bursary Committee minutes were provided to document the criteria or basis for their selection.
- ii. The total bursaries amount of Kshs.42,501,328 was not supported by the beneficiaries' year of study or class.
- iii. Bursaries totalling Kshs.268,760 were issued to twenty (20) students in tertiary institutions who lacked admission numbers.
- iv. Fourteen (14) students at a tertiary institution received no bursaries with no justification provided for audit.
- v. Bursaries totalling Kshs.1,763,116 were issued to ninety-seven (97) students in tertiary institutions. However, the bursary list/data did not indicate the beneficiary institutions. Only the courses the students were undertaking were indicated.

- vi. Three (3) tertiary students received bursaries totaling Kshs.40,314 without indicating the names of the beneficiary institutions or their admission numbers.
- vii. Out of the total amount of Kshs.42,501,328, Kshs.19,029,328 was not acknowledged by the respective beneficiary institutions.
- viii. The Fund did not have standard guidelines on the award of bursaries, contrary to Section (11)(1)(p) of the Public Finance Management (National Government) Regulations, 2015, which states that the Constituency Committee shall ensure that the principles of public finance as provided for under Chapter Twelve of the Constitution and the Public Finance Management legislation are observed in the management of the Fund.

In the circumstances, the accuracy, completeness and authenticity of the bursaries amount of Kshs.Kshs.42,501,328, and the effectiveness of internal controls on management of bursaries could not be confirmed. Also, Management was in breach of the law.

6.2. Unsupported Emergency Projects Actual Expenditure

The amount of Kshs.64,434,581 includes emergency projects actual expenditure of Kshs.3,967,007. However, the supporting documentation such as Project Management Committee projects (PMC) files, interim payments certificates and bank statements indicating how the funds were utilized were not provided for audit.

Further, audit inspection of John Mbatia Secondary School where the scope of works entailed the reroofing, wall plastering, painting, supply of forty-five (45) beds, and installation of solar panels at a cost of Kshs.1,500,000 revealed that the project was complete and in use but not labeled. Records of bed delivery were not provided.

In addition, project verification of rehabilitation of a bore hole at Kiabuya Mixed Secondary School at contract price of Kshs.1,000,000 revealed that the project was not labeled, and the pre- and post-inspection reports were not provided for audit.

Finally, there was no evidence that the emergency expenditure was reported to the Board within 30 days of the expenditure, contrary to Regulation 20(2) of the National Government Constituencies Development Fund Regulations, 2016 which states that the utilization of the emergency reserve shall be reported to the Board within thirty days of the occurrence of the emergency, in the format prescribed by the Board.

In the circumstances, the accuracy, completeness, propriety of the emergency projects expenditure of Kshs.3,967,007, and the effectiveness of internal controls on management of bursaries could not be confirmed. Also, Management was in breach of the law.

7.0. Unsupported PMC Bank Account Balances

Reported in the statement of financial position is cash and cash equivalents balance of Kshs.99,294,762. Included in the balance and as disclosed in Note 19 and detailed in Annex 2 to the financial statement are PMC bank balances amounting to Kshs.34,402,411 whose supporting cash books, bank reconciliation statements, certificate of bank balances, ledger schedules and quarterly reports on the status of the PMC accounts were not provided for audit.

In the circumstances, the accuracy and existence of the PMC bank account balances of Kshs.34,402,411 could not be confirmed.

8.0. Unconfirmed Property, Plant and Equipment Balance

Reported in the statement of financial position is property, plant and equipment balance of Kshs.10,053,186 which does not include the closing balance of Kshs.18,288,069 reported in the 2023-2024 financial year. Further, Annex 1 to the financial statements on summary of asset register captures the historical cost of assets totalling Kshs.13,327,820 as balance brought forward. However, according to Note 23 to the financial statements on property, plant and equipment, the amount represents historical cost of assets acquired during the year under review.

In the circumstances, the accuracy and completeness of the property, plant and equipment balance of Kshs.10,053,186 and Annex 1 could not be confirmed.

9.0. Unsupported Third-Party Deposits Balance

Reported in the statement of financial position, and as disclosed in Note 27 to the financial statements is third-party deposits balance of Kshs.2,380,737 whose supporting retention ledger was not provided for audit. Further, there was no evidence that retention was done for the additions to property plant equipment amount Kshs.13,327,820 reported in Note 23 on property plant and equipment.

In the circumstances, the accuracy and completeness of the third-party deposits balance of Kshs.2,380,737 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Suba South Constituency Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

1.0. Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects total revenue budget of Kshs.315,179,001 against actual receipts of Kshs.258,309,144, resulting in underfunding of Kshs.56,869,857 or 18% of the budget. Similarly, out of the actual receipts of Kshs.258,309,144, the Fund paid Kshs.159,014,382, resulting in underutilization of Kshs.99,294,762.

Further, included the expenditure budget of Kshs.315,179,001 is an amount of Kshs.141,362,960 budgeted and approved for the following projects which were, however, not implemented in the year under review as planned:

Projects	Budget Amount (Kshs.)
Primary School	52,824,827
Secondary School	18,113,918
Bursary & SHIF	48,449,328

Projects	Budget Amount (Kshs.)
Climate Change	2,474,887
Security	5,100,000
Digital Hubs	8,400,000
Other Pending Projects	6,000,000
Total	141,362,960

The underfunding, underutilization and non-implementation of projects affected planned activities and may have negatively impacted service delivery to the constituents of Suba South Constituency.

2.0. Late Disbursement from NG-CDF Board

The statement of financial performance and as disclosed in Note 6 to the financial statements reflects transfers from the NGCDF Board amount of Kshs.170,469,857 which includes Kshs.69,000,000 received at the end of the months of May and June, 2025 as detailed below. This was contrary to Section 16 (a) of National Government Constituency Development Fund Act, 2015, which states that the functions of the Board shall be to ensure timely and efficient disbursement of funds to every constituency:

Date	AIE No.	Amount (Kshs.)
27 May 2025	B278993	22,000,000
15 May 2025	B329452	24,000,000
02 May 2025	B329032	23,000,000
Total		69,000,000

Late disbursements from the Board effected the implementation of the planned activities and projects, which may have negatively impacted service delivery to the public.

My opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the effect of the matters described in the Basis for Qualified Opinion/Material Uncertainty Related to Going Concern section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

1.0. Unresolved Prior Year Matters

In the prior year's audit report, several issues were raised under the Report on Financial Statements, Lawfulness and Effectiveness in the Use of Public Resources, and Effectiveness of Internal Controls, Risk Management and Governance, respectively. Review of the status during audit of the Fund in 2024/2025 revealed that the following matters remained unresolved:

S/No.	Financial Year	Audit Issue
1	2023/2024	Accuracy of Bursary-Tertiary Institutions Balance
2	2023/2024	Unsupported Bursary Awards-Secondary Schools
3	2023/2024	Budgetary Control and Performance
4	2023/2024	Delay in Projects Implementation-Primary Schools Projects
5	2023/2024	Transfers to Secondary Schools-Delayed Project Completion-Nyenga Mixed Secondary School
6	2023/2024	Unutilized Project Funds
7	2023/2024	Emergency Projects-Construction to Completion of 4 Door Pit Latrine at Hon. John Mbadi Koyombe Mixed Secondary School
8	2023/2024	Failure to Brand Completed Projects
9	2023/2024	National Government Constituencies Development Fund Board Reports

2.0. Lack of Land Ownership Documents

Review of records revealed that the Fund did not have ownership documents for the land on which its offices were constructed. Further, there was no evidence that Management confirmed the existence of ownership documents for the land on which various class rooms were constructed for primary and secondary schools. The class rooms might have been constructed on land that was not owned by the schools

The Fund risks losing land through encroachment or land grabbing.

Other Information

The Management is responsible for the Other Information set out on page iii to xxv which comprises Key Constituency Information and Management, NG-CDF Chairman's Report, Statement of Performance against Predetermined Objectives, Governance Statement, Environment and Sustainability Reporting and Statement of Management's Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Fund's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. Based on the audit procedures performed and the matters described in my Basis for Qualified Opinion, I confirm that the Other Information is materially inconsistent with the financial statements.

1.0. Variances between Chairman's Report and Financial Statements

- i. The Chairman's Report indicates that Kshs.258,309,000 was received during the current year which differs with the statement of cash flow amount of Kshs.145,086,476, resulting in an unreconciled variance of Kshs.113,222,524.
- ii. Similarly, the Chairman's Report indicates that the prior year receipts were an amount of Kshs.227,273,768 which differs with the audited balance of

Kshs.197,350,610, resulting in an unexplained variance of negative Kshs.29,923,158.

- iii. Further, the report indicates that an amount of Kshs.1,560,000 was spend on digital hubs which differs with the financial statements' amount of Kshs.1,620,000, resulting in an unreconciled variance of negative Kshs.60,000.
- iv. In addition, the report indicate that staff costs stood at Kshs.4,100,000, while the reported mount in the financial statements is Kshs.4,833,000, resulting in an unreconciled variance of Kshs.733,000.

2.0. Unsupported Data in the Management Discussion and Analysis

Numeric data reported under Management Discussion and Analysis report could not be verified as the supporting documents or records were not provided for audit.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1.0. Hiring of Staff More than the Recommended Number

Review of the payroll and other documents provided for audit revealed that the Fund employed eleven (11) staff, contrary to the CDF Circular Ref. CDF Board/Circulars/Vol.1.1/116 dated 24 June, 2013, which states that the committee may employ staff not exceeding five in number and such staffs shall have knowledge in construction, basic accounting and Information, communication and Technology.

In the circumstances, Management was in breach of the Board Circular.

2.0. Regularity of Procurement and Award of Contracts

2.1. Failure to Publish and Publicize Contracts and Use E-Procurement

Reported in the statement of financial performance is an expenditure of Kshs.9,428,213 on use of goods and services and Kshs.62,631,590 other government units actual expenditure, being amounts paid or payable to suppliers whose procurement were not undertaken through e-procurement, thus contravening Executive Order No 2 of 2018, Ref No OP/CAB39/1A on Procurement of public goods, works and services by public entities, which requires that all procurement be undertaken through e-Procurement, and Regulation 49(2) of the Public Procurement

and Assets Disposal Regulations, 2020, which provides that the conduct of e-procurement procedures for the supply of goods, works and services shall be carried out using an e-procurement system which is integrated to the state portal.

Further, the Fund did not prepare, publish, publicize and submit awarded contracts to the Public Procurement Regulatory Authority, contrary to Section 138(1) and (2) of the Public Procurement and Asset Disposal Act, 2015, which stipulates that the Accounting Officer of a procuring entity shall publish and publicize all contract awards on their notice boards at conspicuous places, and website if available within a period as prescribed and report all contract awards to the Authority as prescribed.

In addition, there is no evidence that firms involved had requisite documents including certificate of incorporation, tax compliance certificates, NCA and requisite experience to execute the works.

In the circumstances, Management was in breach of the law.

2.2. Project Verification Status

Review of records revealed that an amount of Kshs.9,646,833 was utilized for the implementation of six (6) primary schools projects. However, project verification carried out on 24 September, 2025 revealed anomalies as summarized below:

Project Name	Activity	Amount (Kshs.)	Finding
Mwiregwa Primary School	Renovation to completion of 4 classrooms; plastering, installation of doors, windows, glazing and painting	1,500,000	The project was complete but not branded
Kiembe Primary School	Construction to completion of 4 door girl's pit latrine with one chamber catering for persons with disabilities.	700,000	Handles and signage for persons with disabilities not installed. Project was not branded.
Ongalo Primary School	Construction to completion of one classroom at Kshs.1,394,233 and equipping with 20 lockers and chairs at Kshs.176,300	1,570,533	Classroom construction was incomplete; glazing, plastering, and tiling were pending. Roofing was done without gable ends on the sidewalls.
Kisegi Primary school	Renovation to completion of 4 classrooms, reroofing, installation of doors, glazing, painting and veranda extension	1,500,000	Veranda floor was poorly done and peeling, and the painting works were substandard. The project was not branded.
Osoi Primary School	Construction to completion of two classrooms	2,800,000	The project was complete but not in used.

Project Name	Activity	Amount (Kshs.)	Finding
Soko Primary School	Construction to completion of one classroom at Kshs.1,400,000 and equipping with 20 lockers and chairs at Kshs.176,300	1,576,300	The project was complete and in use, but one reinforcement pillar was not installed at the veranda. The project was not branded.
Total		9,646,833	

Similarly, Kshs.11,140,556 was incurred on six (6) secondary schools projects. However, project verification carried out on 24 September, 2025, revealed anomalies as summarized below:

Project Name	Activity	Amount (Kshs.)	Finding
Ragwe mixed secondary school	for fencing of 920 meters school compound using concrete posts, barbed wire and chain-link and installation of a steel gate	1,519,384	The project was completed. However, it was noted that they installed three steel gates one of which was slightly broken.
Rowo mixed day secondary school	Additional funds for fencing of 700 meters school compound using concrete posts, barbed wire and chain link and installation of a steel gate	920,859	The project is completed. There was no visible branding at the time of the visit. However, during an interview with the School Principal, he mentioned that the project was initially branded upon completion. Over time, the branding logo began to peel off, and the school had to repaint the area.
Miramba Mixed Secondary School	Additional funds for fencing of 630 metres school compound using concrete posts, barbed wire and chain link and installation of a steel gate	999,640	The project was completed and branded. However, it was not done satisfactorily. The contractor failed to secure the chain link to the ground with mortar or concrete to seal gaps, used smooth wire instead of the specified barbed wire, reinforced only five concrete posts across the entire compound, and did not properly fit the chain link to the gate walls, leaving room for potential penetration or trespassing.
Magunga Township	Construction to completion of a 120-	2,150,690	The building has been constructed up to the roofing level, with interior plastering

Project Name	Activity	Amount (Kshs.)	Finding
Mixed sec sch	student capacity dormitory		completed. However, external plastering, installation of window panes, flooring (tiling), and painting remain incomplete. The contractor was not on site.
Obanga Mixed Sec School Pmc	Construction to completion of two classrooms	2,750,434	The project was completed, branded but not in use. During project verification, it was observed that inadequate curing or the use of substandard sand had been done, resulting in cracks on the classroom walls.
Ngeri Mixed Secondary School	Proposed Construction to Completion of two Classrooms	2,799,549	The project was complete and in use, but was not branded. No electricals had been done. Only piping done but no cable.
Total		11,140,556	

In the circumstances, the value for money realized from the expenditure of Kshs.20,788,467 on the twelve (12) projects could not be confirmed.

2.3. Construction to Completion of 2 Classrooms at Seka Primary School

Review of records revealed that Kshs.2,800,000 was utilized for the construction to completion of two (2) classrooms at Seka Primary School. The contract was awarded to a local contractor. However, a duly signed contract agreement, professional opinion and duly filled contractor's bill of quantities were not provided for audit review. Further, project verification on 24 September, 2025 revealed that the classrooms were complete but not in use. In addition, major cracks as a sign of earth movement were seen on the walls. Also, there was no evidence that retention was maintained to remedy the cracks.

In the circumstances, the value for money realized from the expenditure of Kshs.2,800,000 on the project could not be confirmed.

2.4. Construction of Phase 3 of A 240-Student Capacity Storeyed Girls' Dormitory at Nyenga Mixed Secondary School

Review of records revealed that Kshs.5,000,000 was incurred in respect of construction of Phase 3 of 240 student-capacity storeyed girls' dormitory at Nyenga Mixed Secondary School. The scope of works entailed external walling on second floor and mechanical works on ground, first and second floors. However, during project verification done on 24 September, 2025, it was noted that on the second floor, only the columns and beams had been constructed, with walling, partitioning, and mechanical works incomplete. On the first floor, painting, mechanical works, and washrooms remain unfinished. Additionally, the contractor was not on site. Further,

review of procurement documents revealed that the project file lacked Bill of Quantities and professional opinion.

In the circumstances, the value for money realized from the expenditure of Kshs.5,000,000 on the project could not be confirmed.

2.5. Incomplete Projects-Digital Hubs

Review of records revealed that Kshs.1,622,205 was transferred for the construction of Nyadenda Chief's ICT Hub. However, physical verification in the month of September, 2025 established that the project was incomplete, constructed to lintel level.

In the circumstances, the value for money realized from the expenditure of Kshs.1,622,205 on the project could not be confirmed.

3.0. Lack of Monitoring, Procurement and Evaluation Reports

Reported in the statement of financial position is a balance of Kshs.10,053,186 in relation to property, plant and equipment. However, Management did not provide documentary evidence of project status reports on non-financial performance for each individual program undertaken by the Fund. Further, there was no documentary evidence provided indicating development and approval of systems to monitor and report on non-financial performance.

In addition, there was no evidence that the project status reports on financial and non-financial performance for each individual program were sent to the Cabinet Secretary and a copy sent to the Auditor-General.

This was contrary to Regulation 136(3) of the Public Finance Management (National Government) Regulations, 2015, which states that an Accounting Officer shall put in place efficient and effective systems to monitor and report on non-financial performance for his or her national government entity's individual programmes and projects based on the prescribed format under paragraphs (1) and (2) and submit a report to the Cabinet Secretary responsible for planning with a copy to the Auditor-General.

There was no evidence that quarterly procurement reports were prepared by the Management and presented for audit review, contrary to section 40(6) of the Public Procurement and Asset Disposal Regulations, 2020, which requires an accounting officer of a procuring entity to prepare a quarterly report on the implementation of the annual procurement plan and submit it to the Cabinet Secretary or county executive committee member for finance or responsible for the procuring entity or the governing body, as the case may be.

In the circumstances, Management was in breach of the law.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1.0. Failure to Operationalize and Update Risk Management Policy

The Risk Management Policy in place at NG-CDF - Suba South Constituency provided for audit was last reviewed in June, 2019, more than 5 years from its inception, hence it is due for review to take cognizance of the new emerging risks.

Further, the Management did have a risk register to mitigate against risks and no formal risk assessments was performed during the financial year under review. Lack of risk register which is a central repository of identified risks and their associated management actions, was an indication that the Fund may effectively track and address its risk profile.

In the circumstances, the effectiveness of risk management in the Fund could not be confirmed.

2.0. Weak Internal Audit Function

Review of documents revealed that the Internal Audit Function of the NG-CDF was domiciled at the NG-CDF Board and did not audit the Fund in the financial year 2024-2025, contrary to Regulation 173(1) and (2) of the Public Finance Management (National Government) Regulations, 2015 which states that the head of internal audit unit shall prepare a quarterly internal audit reports which shall cover areas provided for in guidelines and shall be in a format issued by the Cabinet Secretary.

In addition, the Management did not provide evidence that an audit committee verified any audit reports, made recommendations for implementation and the same were implemented by Management.

In the circumstances, the effectiveness of the internal controls, risk management and overall governance in the fund could not be confirmed.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk Management and overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of the Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards

Report of the Auditor-General on National Government Constituencies Development Fund - Suba South Constituency for the year ended 30 June, 2025

Accrual Basis and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply with the authorities which govern them and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the Fund's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.


Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

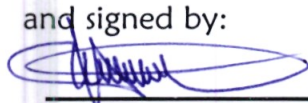
27 November, 2025

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

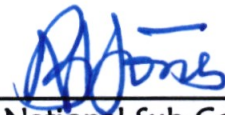
11. Statement of Financial Performance for the Year Ended 30th June 2025

	Note	2024-2025
		Kshs
Revenue from non-exchange transactions		
Transfers from the NGCDF Board	6	170,469,857
Transfers from domestic and foreign partners	7	-
Revenue from exchange transactions		
Finance income	8	-
Miscellaneous income	9	-
Total revenue		170,469,857
Expenses		
Employee costs	10	4,832,715
Committee expenses	11	2,607,450
Use of Goods and Services	12	9,428,213
Other Government Units Actual expenditure	13	62,631,590
Other Grants and Transfers Actual expenditure	14	64,434,581
Depreciation and amortization expense	15	3,274,634
Digital Hubs Expenses Actual expenditure	16	1,622,205
Total expenses		148,831,388
Other gains/(losses)		
Gain/Loss on Sale of Assets	17	-
Impairment loss	18	-
Surplus/(Deficit) for the year		21,638,469

The Constituency financial statements were approved by the NGCDFC on 01/12/ 2025 and signed by:



Chairman NG-CDF
 Committee
 Name: Walter A. Oloo



National Sub-County
 Accountant
 Name: Moses O. Jones
 ICPAK M/No: 29065



Fund Account Manager
 Name: Erick Kimathi Kiraithe

THE NATIONAL SUB-COUNTY ACCOUNTANT
 SUBA SOUTH
 P. O. Box 1, MAGUNGA



National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

12. Statement Of Financial Position As At 30th June, 2025

	Note	2024-2025	Opening Statement 1st July 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash And Cash Equivalents	19	99,294,762	113,222,668
Receivables from Exchange Transactions	20	-	-
Receivables from Non-Exchange Transactions	21	56,869,857	31,486,476
Prepayments	22	453,911	-
Total Current Assets		156,618,529	144,709,144
Non-Current Assets			
Property, Plant and Equipment	23	10,053,186	-
Intangible Assets	24	-	-
Right-of-use assets	25	-	-
Total Non- Current Assets		10,053,186	-
Total Assets (A)		166,671,715	144,709,144
Liabilities			
Current Liabilities			
Trade and Other Payables	26	-	-
Third Party Deposits	27	2,380,737	2,776,867
Lease Liabilities	28	-	-
Gratuity Provision	29	1,656,770	936,538
Total Current Liabilities		4,037,507	3,713,405
Non-Current Liabilities			
Lease Liabilities	28	-	-
Total Liabilities (B)		4,037,507	3,713,405
Net Assets (A-B)		162,634,208	140,995,739
Represented by:			

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

Revaluation Reserves		162,634,208	140,995,739
Accumulated Surplus			
Total Net Assets		162,634,208	140,995,739

The Constituency financial statements set out on pages 1 to 122 approved by NG CDFC on 01/12/ 2025 and signed by:

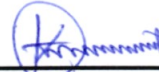


Chairman NG-CDF
 Committee
 Name: Walter A. Oloo



National Sub-County
 Accountant
 Name: Moses O. Jones
 ICPAK M/No: 29065

THE NATIONAL SUB-COUNTY ACCOUNTANT
 SUBA SOUTH
 P.O. Box 1, MAGUNGA



Fund Account Manager
 Name: Erick Kimathi Kiraithe



13. Statement of Changes in Net Assets for the year ended 30 June 2025

Description	Revaluation Reserves	Accumulated surplus/Deficit	Total
		Kshs	Kshs
Fund Balance as at 30 th June 2024	-	50,412,493	50,412,493
Adjustments		-	-
Recognition of Assets	-	94,296,651	94,296,651
Recognition of Liabilities	-	(3,713,405)	(3,713,405)
As at July 1, 2024	-	140,995,739	140,995,739
Surplus/(Deficit) For the Period	-	21,638,469	21,638,469
Revaluation Gain/Loss	-	-	-
As at June 30, 2025	-	162,634,208	162,634,208

Note:

1. For items that are not common in the financial statements, the Entity should include a note on what they relate to – either on the face of the statement of changes in equity/net assets or among the notes to the financial statements.
2. Prior year adjustment should have an elaborate note describing what the amounts relate to. In such instances, a restatement of the opening balances needs to be done.

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

14. Statement Of Cash Flows for The Year Ended 30th June 2025

	Notes	2024-2025 Kshs
Cash flows from operating activities		
Receipts		
Transfers from the NGCDF Board		145,086,476
Transfers from domestic and foreign partners		
Finance income		
Miscellaneous income		
Total Receipts		145,086,476
Payments		
Employee costs		4,112,483
Committee expenses		2,607,450
Use of Goods and Services		9,882,124
Other Government Units Certified Works		63,386,202
Other Grants and Transfers		64,135,563
Digital Hubs Expenses		1,562,740
Total Payments		145,686,562
Net Cash Flows from/ (used in) Operating Activities	30	(600,086)
Cash flows From Investing Activities		
Purchase of PPE		13,327,820
Purchase of Intangible assets		-
Proceeds From Sale of PPE		-
Net Cash Flows from Investing Activities		13,327,820
Net increase/(decrease) in cash & Cash equivalents		-
Cash Flows from Financing Activities		
Lease Payment		-
Net Cash Flows from Financing Activities		(13,927,906)
Cash and cash equivalents at 1 July	19	113,222,668
Cash and cash equivalents at 30 June	19	99,294,762

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

15. Statement of Comparison of Budget and Actual Amounts for the Year ended 30 June 2025

	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	Kshs	Kshs		Kshs	Kshs	Kshs	
	a	b		C=(a+b)	d	e=(c-d)	f=d/c*100
	2024-2025	Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding disbursements	2024-2025	2024-2025		
Revenue							
Transfers From the NGCDF Board	170,469,857	113,222,668	31,486,476	315,179,000	258,309,144	56,869,857	82%
Grants/donations from other entities	-	-	-	-	-	-	
Finance income	-	-	-	-	-	-	
Miscellaneous income	-	-	-	-	-	-	
Totals	170,469,857	113,222,668	31,486,476	315,179,000	258,309,144	56,869,857	82%
Expenses							
Employee costs	5,046,541	2,907,333	-	7,953,874	4,112,483	3,841,391	52%

National Government Constituencies Development Fund (NGCDF)

Suba South Constituency

Annual Report and Financial Statements for The Year Ended June 30, 2025

	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	Kshs	Kshs		Kshs	Kshs	Kshs	
	a	b		C=(a+b)	d	e=(c-d)	f=d/c*100
Committee expenses	3,372,000	626,500	-	3,998,500	2,607,450	1,391,050	65%
Use of Goods and Services	6,116,258	5,345,142	-	11,461,399	9,882,124	1,579,276	86%
Other Government Units Certified Works	71,638,745	78,468,520	12,600,000	162,707,265	63,386,202	99,321,063	39%
Other Grants and Transfers	69,896,313	13,732,168	4,900,000	88,528,481	64,135,563	24,392,918	72%
Acquisition of Assets	-	11,850,000	786,476	12,636,476	13,327,820	(691,344)	105%
Digital Hubs Expenses	8,400,000	-	8,400,000	16,800,000	1,562,740	15,237,260	9%
Funds Pending Approval**	6,000,000	293,005	4,800,000	11,093,005	-	11,093,005	0%
Total Expenditure	170,469,857	113,222,668	31,486,476	315,179,000	159,014,382	156,164,618	50%
Surplus for the period					99,294,762	(99,294,761)	

***Funds pending approval are sums not yet approved by the board for utilization and include approved allocations and/or AIA not yet allocated for specific projects.*

*National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025*

Explanatory Notes.

- a) The Overall utilization of funds was 50% due to Delay in receipt of funds, delayed procurement and school calendars that delayed commencement of projects
- b) The underutilization in Other Government Units Certified Works (39%) was a result of delay in receipts of funds from the NGCDF board which in turn affected the commencement of projects, additionally the school calendar and national exams delayed implementation.
- c) Underutilization of Other Grants and Transfers (79%) was as result of was a result of delay in receipts of funds from the NGCDF board which in turn affected the commencement of projects. The utilization of bursary was however 100%
- d) The utilization of funds under committee expenses (65%) and Use of Goods (86%) was as a result of delay in receipt of funds which deferred planned activities like training of staff and NGCDF committee.
- e) Utilization of funds under Digital Hub Expenses was as a result of delays in approval of project proposals and lack of clear guidelines on its implementation

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	156,164,618
Less undisbursed funds receivable from the Board as at 30 th June 2025	56,869,857
Cash and Cash Equivalents at the end of the 30 th June 2025	99,294,761

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.
The Constituency financial statements were approved by NG CDFC on 01/12/ 2025 and signed by:



Fund Account Manager

Name: Erick Kimathi Kiraithe



National Sub-County Accountant

Name: Moses O. Jones
ICPAK M/No: 29065

NATIONAL SUB-COUNTY ACCOUNTANT
SUBA SOUTH
P.O. Box 1, MAGUNGA



Chairman NG-CDF Committee

Name: Walter Achango Oloo



National Government Constituencies Development Fund (NGCDF)

Suba South Constituency

Annual Report and Financial Statements for The Year Ended June 30, 2025

16. Budget Execution by Sectors And Projects For The Year Ended 30th June 2025

Programme/Sub-Programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration And Recurrent						
1.1 Compensation Of Employees	5,046,541	2,907,333	-	7,953,874	4,112,483	3,841,391
1.2 Committee Allowances	1,748,000	73,000	-	1,821,000	1,526,000	295,000
1.3 Use Of Goods And Services	2,895,325	836,538	-	3,731,862	3,067,053	664,809
Sub-Total	9,689,866	3,816,871	-	13,506,736	8,705,536	4,801,200
2.0 Monitoring And Evaluation				-		-
2.1 Capacity Building	500,000	685,000	-	1,185,000	817,900	367,100
2.2 Committee Allowances	1,624,000	553,500	-	2,177,500	1,081,450	1,096,050
2.3 Use Of Goods And Services	2,720,933	323,604	-	3,044,537	2,502,171	542,366
Sub-Total	4,844,933	1,562,104	-	6,407,037	4,401,521	2,005,516
4.0 Emergency				-		-
John Mbadi Oma Mixed Sec School	1,500,000	1,253		1,501,253	1,500,184	1,069
Kiabuya Secondary School	1,000,000	774		1,000,774	946,427	54,347
Kingenyo Primary School	1,500,000	488		1,500,488	1,498,266	2,222
Matunga Water Project		18,205		18,205	1,530	16,675
Matunga Water Project	-			-		-
Ng-Cdf Office		700		700		700

National Government Constituencies Development Fund (NGCDF)

Suba South Constituency

Annual Report and Financial Statements for The Year Ended June 30, 2025

Programme/Sub-Programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Ong'ayo Primary School	800,000	217,665		1,017,665	215,002	802,663
Oxygen Transport And Construction		400		400		400
Rakiwey Constructions	190,000	-		190,000	-	190,000
Suba Constituency Water Pmc	-	1,631		1,631	-	1,631
Sumba Primary School	800,000	986		800,986	-	800,986
Unutilized	2,482,098			2,482,098		2,482,098
Sub-Total	8,272,098	242,101	-	8,514,199	4,161,409	4,352,790
5.0 Bursary And Social Security				-		-
5.1 Primary Schools	-			-		-
5.2 Secondary Schools	26,120,000	4,000		26,124,000	22,082,000	4,042,000
5.3 Tertiary Institutions	22,020,000			22,020,000	20,110,000	1,910,000
5.4 Special Needs	309,328			309,328	309,328	-
5.6 Social Security				-		-
Sub-Total	48,449,328	4,000	-	48,453,328	42,501,328	5,952,000
Sports Projects		-		-	-	-
Suba South Sports Committee - Pmc		115		115	-	115
Suba South Const Sports Pmc		2,520		2,520	-	2,520
Sub-Total	-	2,635	-	2,635	-	2,635
Climate Change Mitigation Projects		-		-	-	-

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

Programme/Sub-Programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
God Bura Mixed Sec School	800,000			800,000		800,000
God Oloo Primary		656,513		656,513	647,400	9,113
Kiabaya Mixed Secondary	800,000			800,000		800,000
Kigoto Mixed Secondary	800,000			800,000		800,000
Mark Matunga Kiwa Mixed Sec School		1,608	900,000	901,608	858,180	43,428
Miramba Mixed Secondary School	270,524			270,524		270,524
Msare Mixed Day Secondary School		2,001,699		2,001,699	1,989,453	12,246
Mwiraria Mixed Sec School	400,000			400,000		400,000
Ngeri Primary School	400,000			400,000		400,000
Nyabomo Primary School	400,000			400,000		400,000
Nyakiya Mixed Secondary School	800,000			800,000		800,000
Nyatoto Mixed Sec Sch Development		401,811		401,811	398,920	2,891
Onywera Mixed Secondary School	236,483			236,483		236,483
Pundo Primary		417,200		417,200	399,040	18,160
Ragwe Mixed Secondary School	800,000			800,000		800,000
Roo Primary School	455,019			455,019		455,019
St. Antony Nyandiwa Secondary	800,000			800,000		800,000
St. Gabriel's Gwasssi Girls Sec	800,000			800,000		800,000

National Government Constituencies Development Fund (NGCDF)

Suba South Constituency

Annual Report and Financial Statements for The Year Ended June 30, 2025

Programme/Sub-Programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
St. Joseph Olando Sec School	312,861			312,861		312,861
				-		-
Sub-Total	8,074,887	3,478,831	900,000	12,453,718	4,292,993	8,160,725
8.0 Primary Schools Projects				-		-
Bunge Primary School Pmc		984,249		984,249	983,535	714
Gendo Primary School	2,800,000	1,473		2,801,473	-	2,801,473
Gingo Primary School - Pmc		151		151	-	151
God Bura Primary School		154,578		154,578	150,156	4,422
Got-Adundo Primary School		4,002		4,002	-	4,002
Governor Awiti Kisenye Pri School	1,600,000	6,749		1,606,749	-	1,606,749
Hon. John Mbadi Ongoro Primary School	1,000,000	1,921		1,001,921	-	1,001,921
Kasinga Primary School	1,000,000	1,215		1,001,215	-	1,001,215
Kiabuya Primary School - Pmc		3,785		3,785	-	3,785
Kianyumba Primary	2,800,000			2,800,000		2,800,000
Kibuogi Primary School		1,224		1,224	120	1,104
Kibura Primar School Cdf Acc		57,735		57,735	55,450	2,285
Kichare Primary School-Pmc		159,659		159,659	153,260	6,399
Kiembe Primary School		811,508		811,508	809,436	2,072

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

Programme/Sub-Programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Kigoto Primary School Pmc	250,000	26,179		276,179	-	276,179
Kikubi Primary School	700,000	2,796,080		3,496,080	3,364,468	131,612
Kimange Primary School		910		910	-	910
Kimoro Primary School - Pmc		211,901		211,901	208,838	3,063
Kinchororio Primary School		3,189		3,189	-	3,189
Kinyasaga Primary School Pmc		643,783		643,783	639,751	4,032
Kirambo Primary School	2,800,000	3,121		2,803,121	3,000	2,800,121
Kiriba Primary	2,800,000			2,800,000		2,800,000
Kisegi Primary School		1,502,393		1,502,393	1,497,703	4,690
Kisiambi Primary School	1,500,000	2,965		1,502,965	-	1,502,965
Kitawa Primary School		1,070		1,070	-	1,070
Kithereka Primary School		1,115		1,115	-	1,115
Kiwa Primary School		1,529		1,529	-	1,529
Koga Primary School - Pmc		49,263		49,263	46,850	2,413
Koga Primary School Cdf Acc		325		325	-	325
Koyombe Primary School		1,200		1,200	-	1,200
Kumbatha Primary School		1,576,982		1,576,982	1,523,137	53,845
Kumuinda Primary School		9,273		9,273	-	9,273
Ligongo Primary School		32,349		32,349	-	32,349

National Government Constituencies Development Fund (NGCDF)

Suba South Constituency

Annual Report and Financial Statements for The Year Ended June 30, 2025

Programme/Sub-Programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Lwanda Primary School	1,000,000	1,880		1,001,880	-	1,001,880
Magunga Primary School - Pmc		5,724,680		5,724,680	5,428,069	296,611
Malongo Primary School		823,718		823,718	799,570	24,148
Manyala Primary School-Cdf		1,624,532		1,624,532	1,535,064	89,468
Matunga Primary School		2,313	3,000,000	3,002,313	-	3,002,313
Miramba Primary School		7,208		7,208	-	7,208
Miriya Primary School		1,898		1,898	-	1,898
Msare Primary School - Pmc	2,800,000	488		2,800,488	-	2,800,488
Mukende Primary School		985,529		985,529	982,722	2,807
Mukuyu Primary School	1,500,000	1,500,000		3,000,000	-	3,000,000
Mumisa Primary School		49,025		49,025	33,112	15,913
Mwiraria Primary School		314		314	-	314
Mwiregwa Primary School		1,515,922		1,515,922	1,476,250	39,672
Mwiregwa Primary School		-	-	-	-	-
Mwirendia Primary School	2,800,000	1,236		2,801,236	-	2,801,236
Mwiyoyo Primary School	2,800,000	3,185		2,803,185	-	2,803,185
Ngeri Primary School		4,610		4,610	-	4,610
Nyabera Primary School		388		388	-	388
Nyabomo Primary School		214,174		214,174	209,466	4,708

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

Programme/Sub-Programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Nyaburu Primary School		1,273		1,273	-	1,273
Nyabwacheche Primary School		-	600,000	600,000		600,000
Nyabwacheche Primary School-Pmc		512,000		512,000	510,154	1,846
Nyadenda Primary School		32,202		32,202	19,495	12,707
Nyagwethe Primary School Pmc		360		360	-	360
Nyakasera Primary School	2,800,000	4,213		2,804,213	-	2,804,213
Nyakiya Primary School		(1,546)		(1,546)	-	(1,546)
Nyakweri Primary School Pmc	300,000	1,194		301,194	-	301,194
Nyalkembo Primary School	1,500,000	1,351		1,501,351	1,351	1,500,000
Nyamadede Primary School		3,437		3,437	-	3,437
Nyandiwa Primary School		23,534		23,534	-	23,534
Nyasoti Primary School		2,627,518		2,627,518	2,506,958	120,560
Nyatoto Primary	850,000			850,000		850,000
Nyawacha Primary School		5,911		5,911	-	5,911
Obanga Primary School - Pmc		(3,120)		(3,120)	5,760	(8,880)
Obanga Primary School - Pmc		32,233		32,233	31,490	743
Ogaka Primary School		156,262		156,262	153,969	2,293
Olando Primary School Pmc		161,067		161,067	159,367	1,700
Oma Primary School	2,800,000	630		2,800,630	-	2,800,630

National Government Constituencies Development Fund (NGCDF)

Suba South Constituency

Annual Report and Financial Statements for The Year Ended June 30, 2025

Programme/Sub-Programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Omuthuma Primary School - Pmc		2,800,412		2,800,412	2,651,000	149,412
Ongalo Primary School		1,576,745		1,576,745	1,461,261	115,484
Ongongo Primary School - Pmc		209,903		209,903	208,992	911
Onywera Primary School	3,500,000	2,017		3,502,017	-	3,502,017
Osiri Primary School		603,196	2,000,000	2,603,196	2,485,501	117,695
Osoi Eced School		3,981		3,981	-	3,981
Osoi Primary School		2,800,000		2,800,000	2,664,048	135,952
Pundo Primary	3,000,000	-		3,000,000	-	3,000,000
Ragwe Primary School		20,949		20,949	-	20,949
Ramula Primary School		54,951		54,951	53,838	1,113
Rianchogu Primary School-Pmc		464,853		464,853	463,506	1,347
Roo Dok Primary School	624,827	183,620		808,447	182,695	625,752
Rowo Primary School		2,313		2,313	-	2,313
Sagarume Primary School		1,577,516		1,577,516	1,489,881	87,635
Sanjweru Primary School	2,800,000	800,175		3,600,175	799,134	2,801,041
Sawanka Primary School	2,500,000	1,007,566		3,507,566	998,634	2,508,932
Seka Primary School		2,800,000		2,800,000	1,598,401	1,201,599
Sindo Primary School - Pmc	800,000	5,693,499		6,493,499	5,327,482	1,166,017
Soko Primary School		1,998,218		1,998,218	1,489,680	508,538

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

Programme/Sub-Programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
St. Joseph Mukiundu Primary School		1,588,192		1,588,192	1,507,088	81,104
Tonga Primary School		2,925		2,925	-	2,925
Uterere Primary School	2,400,000	3,538		2,403,538	-	2,403,538
Victor Musoga Primary School Cdf		3,565		3,565	-	3,565
Wira Primary School		390		390	-	390
Yongo Primary	1,500,000			1,500,000		1,500,000
				-		-
Sub-Total	53,524,827	49,270,007	5,600,000	108,394,834	46,669,641	61,725,193
9.0 Secondary Schools Projects (List All The Projects)				-		-
Gingo Mixed Day Secondary School		5,596		5,596	4,920	676
God Bura Sec School		9,439		9,439	-	9,439
God Oloo Mixed Day Sec School		2,450		2,450	-	2,450
Kianyumba Mixed Sec School		5		5	-	5
Kiembe Mixed Sec School		3,605,309		3,605,309	3,421,359	183,950
Kisaku Mixed Sec School		3,006,131		3,006,131	480	3,005,651
Kisegi Mixed Sec School		9,920		9,920	-	9,920
Koyombe Mixed Sec School		808,043		808,043	799,534	8,509

National Government Constituencies Development Fund (NGCDF)

Suba South Constituency

Annual Report and Financial Statements for The Year Ended June 30, 2025

Programme/Sub-Programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Koyombe Mixed Sec School	1,000,000			1,000,000		1,000,000
Ligongo Mixed Secondary School		1,309		1,309	-	1,309
Magunga Township Mixed Sec Sch		1,232	4,000,000	4,001,232	2,048,668	1,952,564
Miramba Mixed Secondary School		1,054,869		1,054,869	999,640	55,229
Moi Girls Sindo Sec School Cdf Project		37,156		37,156	-	37,156
Mwiraria Mixed Sec School		702		702	-	702
Ngeri Girls Sec School		3,875		3,875	-	3,875
Ngeri Mixed Secondary School		2,800,000		2,800,000	2,799,548	452
Nyabera Girls Secondary School		95,042		95,042	81,870	13,172
Nyadenda Mixed Sec School		2,939		2,939	-	2,939
Nyagwethe Secondary School		15,978		15,978	120	15,858
Nyakiya Mixed Secondary School		2,825		2,825	600	2,225
Nyamadede Mixed Secondary School		508,930		508,930	500,047	8,883
Nyandiwa Mixed Secondary School		5,298		5,298	-	5,298
Nyatambe Mixed Secondary School		2,997,300		2,997,300	-	2,997,300
Nyatambe Mixed Secondary School	6,000,000		3,000,000	9,000,000		9,000,000
Nyenga Secondary School Project	5,000,000			5,000,000		5,000,000
Nyenga Secondary School Project		5,004,145		5,004,145	600	5,003,545

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

Programme/Sub-Programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Obanga Mixed Sec School Pmc		2,805,163		2,805,163	2,673,291	131,872
Ogaka Girls Secondary School		2,800,000		2,800,000	-	2,800,000
Onywera Day Secoondary School		6,044		6,044	-	6,044
Ragwe Mixed Secondary School		1,561,896		1,561,896	1,421,000	140,896
Rowo Mixed Day Secondary School		965,709		965,709	961,834	3,875
Seka Mixed Sec School		1,016,946		1,016,946	999,535	17,411
Sindo Mixed Day Sec School		162		162	-	162
Sindo Mixed Day Sec School	595,059			595,059		595,059
St John's Kikubi Girls Sec School	434,815	7,075		441,890	-	441,890
St Joseph Olando Secondary School		1,286		1,286	-	1,286
St. Charles Wiga Sec School	3,884,044	1,427		3,885,471	-	3,885,471
St. Gabriel's Gwassi Girls Sec	1,200,000	1,860		1,201,860	3,395	1,198,465
St. Joseph Olando Sec School		3,355		3,355	-	3,355
St. Merceline Kigoto Sec School		6,217		6,217	120	6,097
Tonga Boys Sec School		3,325		3,325	-	3,325
Yongo Mixed Sec School		1,846		1,846	-	1,846
Sub-Total	18,113,918	29,160,798	7,000,000	54,274,716	16,716,561	37,558,155

National Government Constituencies Development Fund (NGCDF)

Suba South Constituency

Annual Report and Financial Statements for The Year Ended June 30, 2025

Programme/Sub-Programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
10.0 Tertiary Institutions Projects (List All The Projects)				-		-
Suba Teachers College		37,715		37,715	-	37,715
				-		-
				-		-
Sub-Total	-	37,715	-	37,715	-	37,715
11.0 Security Projects				-		-
Gateway Bmu Pmc		-	1,000,000	1,000,000	999,000	1,000
Gwasssi Central Location Chief's Camp	2,000,000			2,000,000		2,000,000
Gwasssi North Location Chief's Office Pmc		508		508	-	508
Kiwa Bmu Pmc		-	1,000,000	1,000,000	999,000	1,000
Magunga Community Policing		1,998		1,998	1,998	-
Nyadenda Chief Camp		2,000,000		2,000,000	1,898,151	101,849
Nyandiwa Chief's Camp		2,000,000		2,000,000	1,903,320	96,680
Nyandiwa Main Beach Bmu		-	1,000,000	1,000,000	999,000	1,000
Nyandiwa Polise Station	1,100,000			1,100,000		1,100,000
Nyatoto Chief's Camp	2,000,000			2,000,000		2,000,000

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

Programme/Sub-Programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Owich Chief's Camp		2,000,000		2,000,000	1,588,660	411,340
Rasira Bmu Pmc		-	1,000,000	1,000,000	998,900	1,100
Roo Chief's Camp		2,000,000		2,000,000	1,887,586	112,414
Sare Bmu Pmc		488		488	488	-
Suba South Dcc Office Pmc		160		160	-	160
Suba Sub County Huduma Centre		1,013		1,013	-	1,013
Suba Sub County Police Commandant Office		436		436	-	436
Uterere Chief's Camp		2,000,000		2,000,000	1,903,731	96,269
				-		-
Sub-Total	5,100,000	10,004,601	4,000,000	19,104,601	13,179,833	5,924,768
12.0 Acquisition Of Assets				-		-
12.1 Motor Vehicles (Including Motorbikes)		10,800,000		10,800,000	10,799,940	60
12.2 Purchase Of Furniture And Fitiings		1,050,000		1,050,000	1,049,800	200
12.2 Construction Of CDF Office				-		-
12.3 Purchase Of Ict Equipment			786,476	786,476	1,478,080	(691,604)
Sub-Total	-	11,850,000	786,476	12,636,476	13,327,820	(691,344)

National Government Constituencies Development Fund (NGCDF)

Suba South Constituency

Annual Report and Financial Statements for The Year Ended June 30, 2025

Programme/Sub-Programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
13.0 Others				-		-
Digital Hubs (Asset/Project)		-		-	-	-
Nyadenda Chief's Ict Hub		-	4,200,000	4,200,000	1,562,740	2,637,260
Kiabaya Chief's Hub		-	4,200,000	4,200,000	-	4,200,000
Nyandiwa Chief's Office Digital Hub	4,200,000			4,200,000		4,200,000
Suba Central Dcc Office Digital Hub	4,200,000			4,200,000		4,200,000
				-	-	-
				-	-	-
Sub-Total	8,400,000	-	8,400,000	16,800,000	1,562,740	15,237,260
13.1 Strategic Plan		3,500,000	-	3,500,000	3,495,000	5,000
Sub-Total	-	3,500,000	-	3,500,000	3,495,000	5,000
Funds Pending Approval**				-		-
Unapproved Projects				-		-
Hon. Caroli Omondi Kadede Primary School		-	2,800,000	2,800,000		2,800,000
Ng-Cdf Office	3,000,000			3,000,000		3,000,000
Nyakoria Primary School		-	500,000	500,000		500,000
Nyenga Primary School		-	1,500,000	1,500,000		1,500,000

*National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025*

Programme/Sub-Programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Tonga Boys Secondary	3,000,000			3,000,000		3,000,000
				-		-
Unallocated Funds (AIA)		-	-	-		-
Aia		293,005	0	293,005		293,005
Sub-Total	6,000,000	293,005	4,800,000	11,093,005	-	11,093,005
Total	170,469,857	113,222,668	31,486,476	315,179,000	159,014,382	156,164,618

(NB: This statement is a disclosure statement indicating the utilization in the same format as the entity's budgets which are program-based. This statement totals should tie to the totals of the Statement of Comparison of Budget and Actual Amounts)

17. Notes to the Financial Statements

1. General information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established by and derives its authority and accountability from the NG-CDF Act 2015 (amended 2023). The NG-CDF is wholly owned by the Government of Kenya and is domiciled in Kenya. The NG-CDF Suba South Constituency principal activity is service delivery through improvement of infrastructure and provision of bursaries to needy students within the constituency.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgment in the process of applying the NG-CDF's accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of these financial statements.

The financial statements have been prepared in accordance with the PFM Act, and International Public Sector Accounting Standards (IPSAS) or the entity has taken advantage of the transitional provisions under IPSAS 33 and therefore these 1st/ 2nd/ 3rd/ are transitional financial statements (entity to state the transitional provisions it has applied, and the steps being taken towards full compliance with IPSAS Accrual).

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the NG-CDF. The financial statements have been prepared in accordance with the PFM Act, the NGCDF Act (*include any other applicable legislation*), and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

i. *New and amended standards and interpretations in issue effective in the year ended 30 June 2025.*

There were no new and amended standards issued in the financial year.

ii. *New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2024.*

Standard	Effective date and impact:
IPSAS 43: Leases	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p><i>Not Applicable</i></p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p><i>Not Applicable</i></p>

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

<p>IPSAS 45: Property Plant and Equipment</p>	<p><i>Applicable 1st January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under-maintenance of assets and distinguishing significant parts of infrastructure assets.</p> <p><i>Not Applicable</i></p>
<p>IPSAS 46: Measurement</p>	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p><i>Not Applicable</i></p>
<p>IPSAS 47: Revenue</p>	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue</p>

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

	<p>under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p><i>Not Applicable</i></p>
<p>IPSAS 48: Transfer Expenses</p>	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p><i>Not Applicable</i></p>
<p>IPSAS 49: Retirement Benefit Plans</p>	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p><i>Not Applicable</i></p>
<p>IPSAS 50: Exploration For & Evaluation of Mineral Resources</p>	<p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ol style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized. <p><i>Not Applicable</i></p>

iii. Early adoption of standards

The Entity did not early – adopt any new or amended standards in the financial year or *the entity adopted the following standards early.*

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the *Fund* and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realized in the statement of financial performance upon fulfilling the conditions set. Revenue shall be recognized after allocations have been approved by the NG-CDF Board.

ii) Revenue from exchange transactions

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably, and it is probable that the economic benefits or service potential associated with the transaction will flow to the *Entity*.

Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

b) Budget information

The original budget was approved by Parliament on 30 June 2024 for the period 1st July 2024 to 30th June 2025 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

A comparison of the actual performance against the final budget for the financial year under review has been included in the financial statements.

The financial statements are prepared on an accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under section 15 of these financial statements.

c) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed,

its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

d) Leases

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the *Entity*. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The *Entity* also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the *Entity* will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the *Entity*. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

e) Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite.

Intangible assets with an indefinite useful life are assessed for impairment at each reporting date.

f) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. *The entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. (amend as appropriate).* A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

a) Financial assets

Classification of financial assets

The entity classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an entity has made irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

Based on the business model and the cash flow characteristics, the entity classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through net assets/ equity

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

Trade and other receivables

Trade and other receivables are recognized at fair values less allowances for any uncollectible amounts. Trade and other receivables are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year end.

Fair value through surplus or deficit

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/equity are measured at fair value through surplus or deficit. A business model where the entity manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

Impairment

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL),

b) Financial liabilities

Classification

The entity classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

g) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition. Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

- i) Raw materials: purchase cost using the weighted average cost method.
- ii) Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of

operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the *Entity*.

h) Provisions

Provisions are recognized when the *Entity* has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the *Entity* expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement

i) Social Benefits

Social benefits are cash transfers provided to i) specific individuals and / or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. The entity recognises a social benefit as an expense for the social benefit scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the entity will incur in fulfilling the present obligations represented by the liability.

j) Contingent liabilities

The Entity does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

k) Contingent assets

The Entity does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements.

Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

l) Employee benefits

Retirement benefit plans

The *Entity* provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an Entity pays fixed contributions into a separate Entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

m) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

n) **Related parties**

The *Entity* regards a related party as a person or an Entity with the ability to exert control individually or jointly or to exercise significant influence over the *Entity*, or vice versa.

o) **Cash and Cash Equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call, and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Bank account balances include amounts held at various commercial banks at the end of the financial year.

p) **Comparative figures**

Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

q) **Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2025

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the *Entity's* financial statements in conformity with IPSAS requires management to make judgments, estimates, and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. State all judgments, estimates, and assumptions made:

Estimates and assumptions.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual value

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- a) The condition of the asset is based on the assessment of experts employed by the Entity.
- b) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- c) The nature of the processes in which the asset is deployed.
- d) Availability of funding to replace the asset.
- e) Changes in the market in relation to the asset

Provisions

Provisions were raised and management determined an estimate based on the information available. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

6. Transfers from the NGCDF Board

Description	Period ended June 2025
NGCDFB Transfers (Allocation for the FY)	170,469,857
TOTAL	170,469,857

7. Transfers from domestic and foreign partners

Description	Period ended June 2025
	Kshs
Grants	-
Total	-

8. Finance income

Description	Period ended June 2025
	Kshs
Interest Income on Bank Deposits	-
Total	-

(Provide a brief explanation for this revenue)

9. Miscellaneous income

Description	Period ended June 2025
	Kshs
Rental Income	-
Income from sale of tenders	-
Hire of plant/equipment/facilities	-
Other Income Not Classified Elsewhere <i>(specify)</i>	-
Total	-

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

10. Employees cost

Description	Period ended June 2025
	Kshs
NG-CDFC Basic staff salaries	3,046,334
Personal allowances paid as part of salary	-
House Allowance	383,800
Transport Allowance	452,000
Leave allowance	55,000
Gratuity to contractual employees	795,218
Employer Contributions Compulsory national social security schemes	71,038
Employer Contributions Compulsory Housing levy	23,076
Employer contributions to National Industrial Training Authority	6,250
Other Specify	-
Total	4,832,715

11. Committee Expenses

Description	Period ended June 2025
	Kshs
Sitting allowance	1,526,000
Other Committee expenses	1,081,450
Total	2,607,450

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

12. Use of Goods and services

Description	Period ended June 2025
	Kshs
Utilities, supplies and services	40,092
Communication, supplies and services	360,342
Domestic travel and subsistence	1,304,950
Printing, advertising and information supplies & services	-
Office Rent	-
Training expenses	817,900
Hospitality supplies and services	938,550
Insurance costs	92,879
Specialized materials and services	-
Office and general supplies and services	928,949
Fuel, oil & lubricants	523,827
Bank Charges	6,921
Routine maintenance – vehicles and other transport equipment	50,000
Routine maintenance – other assets	131,303
Strategic plan expenses	3,495,000
Other operating expenses	737,500
Total	9,428,213

13. Other Government Units Actual expenditure

Description	Period ended June 2025
	Kshs
Primary Schools Actual expenditure	45,668,475
Secondary Schools Actual Expenditure	16,963,115
Tertiary Institutions Actual Expenditure	-
Total	62,631,590

14. Other Grants and transfers Actual expenditure

Description	Period ended June 2025
	Kshs
Bursary – secondary schools	22,082,000
Bursary – tertiary institutions	20,110,000
Bursary – special schools	309,328
Bursary - Education Support programmes	-
Social Security programmes (SHIF)	-
Security projects Actual Expenditure	13,632,302
Climate change mitigation projects	4,333,944
Emergency projects Actual Expenditure	3,967,007
Roads projects	-
Others specify	-
Total	64,434,581

15. Depreciation and Amortization Expenses

Description	Period ended June 2025
	Kshs
Property Plant and Equipment	3,274,634
Intangible Assets	-
Total	3,274,634

16. Digital Hubs Expenses

Description	Period ended June 2025
	Kshs
	Kshs
Construction/ renovation/Actual Expenditure	1,622,205
Digital Hub utility costs Water, Electricity,	-
Maintenance of ICT equipment	-
Maintenance of building	-
Others (specify)	-
Total	1,622,205

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

17. Gain/loss on Sale of Assets

Description	Period ended June 2025
	Kshs
Property, Plant and Equipment	-
Intangible Assets	-
Total Gain/loss on Sale of Asset	-

18. Impairment Loss

Description	Period ended June 2025
	Kshs
Property, Plant and Equipment	-
Intangible Assets	-
Total Impairment Loss	-

19. Cash and Cash Equivalents

Name Of Bank and Account No.	2024-2025	Opening Statement 1st July 2024
	Kshs	Kshs
Bank Accounts (Cash Book Bank Balance)		
Equity Bank, Mbita Point Branch, Account No. 0760277182849 (Operations account)	63,235,062	50,412,493
Operations account pending closure (Indicate name & account no.)	-	-
Equity Bank, Mbita Point Branch Account No. 0760285796793 (Deposit account)	1,657,289	-
Various Bank Account – See Annex	34,402,411	62,810,175
Total	99,294,762	113,222,668
Cash Balances		
Location 1	-	-
Other Locations (<i>Specify</i>)	-	-
Total	-	-

*National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025*

20. Receivables from Exchange Transactions

Description	Period ended June 2025	Opening Statement
	Kshs	1st July 20X24
Total receivables		
Other exchange debtors (<i>Specify</i>)	-	-
Less: impairment allowance	-	-
Total receivables	-	-
a. Current receivables	-	-
b. Non-current receivables	-	-
Total Receivables (a+b)	-	-

(Entity to state the expected credit loss rates for various categories of its receivables. The entity should also disclose how ECL was arrived at in line with provisions of IPSAS 41.)

i. Ageing Analysis for Receivables

Description	Period ended June 2025		Opening Statement	
	2024-2025	% of the total	Opening Balance	% of the total
Less than 1 year	-	-	-	-
Between 1- 2 years	-	-	-	-
Between 2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total (a+b)	-	-	-	-

21. Receivables from Non-Exchange Transactions

Description	Period ended June 2025	Opening Statement
	Kshs	1st July 2024 Kshs
Transfers from NGCDFB	56,869,857	31,486,476.00
Outstanding imprest	-	-
Total	56,869,857	31,486,476

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

Ageing Analysis for Receivables

Description	Period ended June 2025		Opening Statement 1st July 2024	
	2024-2025	% of the total	Opening Balance	% of the total
Less than 1 year	56,869,857	100%	-	-
Between 1- 2 years	-	-	31,486,476	100%
Between 2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total (a+b)	56,869,857	100%	31,486,476	100%

22. Prepayments

Description	2024-2025	Opening Statement 1st July 2024
	Kshs	Kshs
Prepaid Rent	-	-
Prepaid Insurance	453,911	-
Prepaid Electricity Costs	-	-
Other Prepayments (<i>Specify</i>)	-	-
Total	453,911	-

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

23. Property, Plant and Equipment

	Land	Buildings	Motor vehicles	Furniture and fittings	Computers & ICT Equipment	Other Assets (Infrastructure)	Capital Work in progress	Total
Depreciation Rate		10%	25.00%	12.5%	30.00%	20%		
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1 st July 2024	-	-	-	-	-	-	-	-
Additions	-	-	10,799,940	1,049,800	1,478,080	-	-	13,327,820
Disposals	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-
As At 30th June 2025	-	-	10,799,940	1,049,800	1,478,080	-	-	13,327,820
Depreciation And Impairment								
Opening bal accumulated depreciation 1st July 2024	-	-	-	-	-	-	-	-
Depreciation	-	-	2,699,985	131,225	443,424	-	-	3,274,634
Disposals	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-
As At 30th June 2025	-	-	2,699,985	131,225	443,424	-	-	3,274,634
Net Book Values								
Opening Bal as at 1 st July 2024	-	-	-	-	-	-	-	-
As At 30th June 2025	-	-	8,099,955	918,575.00	1,034,656	-	-	10,053,186

Valuation

Land and buildings/ Equipment (be specific) were valued by in line with the National Assets and Liabilities Management Policy and Guidelines (Issued 30th June 2020). These amounts were adopted on 1st July 2024

22 b) Property, Plant and Equipment at Cost

If the freehold land, buildings and other assets were stated on the historical cost basis the amounts would be as follows:

	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	-	-	-
Buildings	-	-	-
Plant And Machinery	-	-	-
Motor Vehicles, Including Motorcycles	-	-	-
Computers And Related Equipment	-	-	-
Office Equipment, Furniture, And Fittings	-	-	-
Total	-	-	-

Property plant and Equipment includes the following assets that are fully depreciated:

	Cost or valuation	Normal annual depreciation charge
Plant and Machinery	-	-
Motor Vehicles including Motorcycles	-	-
Computers and Related Equipment	-	-
Office Equipment, Furniture and Fittings	-	-
Total	-	-

24. Intangible Assets

Description	2024-2025
	Kshs
Cost	-
Opening balance at 1st July 2024	-
Additions	-
Disposal	-
At end of the 2025	-
Amortization and impairment	-
At beginning of the year	-
Amortization	-
At end of the year	-
Impairment loss	-
At end of the year	-
NBV at July 1 st 2024	-
NBV at June 30 th 2025	-

25. Right-of use assets

Description	Buildings	Plant	Equipment	Total
	Kshs	Kshs	Kshs	Kshs
Cost				
As At 1 July 2024	-	-	-	-
Additions	-	-	-	-
As At 30 June 2024	-	-	-	-
Additions	-	-	-	-
As At 30 June 2025	-	-	-	-
Accumulated Depreciation				
As At 1 July 2024	-	-	-	-
Charge for the period	-	-	-	-
As At 30 June 2025	-	-	-	-
Charge for the period	-	-	-	-
As At 30 June 2025	-	-	-	-
Carrying Amount				
As At 30 June 2025	-	-	-	-
As At 30 June 2024	-	-	-	-

26. Trade and Other Payables

Description	2024-2025		Opening Statement 1st July 2024	
	Kshs		Kshs	
Trade payables	-	-	-	-
Employee payables	-	-	-	-
Other payables	-	-	-	-
Total trade and other payables	-	-	-	-
Aging analysis: (Trade and other payables)	2024-2025	% of the Total	1st July	% of the Total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (tie to above total)	-	-	-	-

27. Third-Party deposits

	2024-2025		Opening Statement 1st July 2024	
	KShs			
Retention as at 1 st July (A)	2,776,867	-	-	-
Retention held during the year (B)	2,606,894	2,776,867.00		
Retention paid during the Year (C)	3,003,024	-		
Closing Retention as at 30th June D= A+B-C	2,380,737	2,776,867		

Retentions aging analysis.

	2024-2025	% of the total	2023-2024	% of the total
Less than 1 year	2,380,737	100 %		
1-2 years	-	%	2,776,867	100%
2-3 years	-	%	-	%

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

Over 3 years	-	%	-	%
Total	2,380,737	100 %	2,776,867	100%

28. Lease Liabilities

Description	2024-2025	Opening Statement 1st July 2024
	Kshs	Kshs
Balance at the beginning of the year	-	-
Discount interest on lease liability	-	-
Paid during the year	-	-
At end of the year	-	-

Maturity Analysis

Period	Amount
Year 1	-
Year 2	-
Year 3	-
Year 4	-
Year 5 and onwards	-
Less: unearned Interest	-
	-

Analysed as:

Description	Amount
Current	-
Non- Current	-
Total	-

29. Gratuity Provision

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

Description	Period ended June 2025	Opening Statement 1st July 2024
	Kshs	Kshs
Gratuity at the beginning of the period (A)	936,538	-
Gratuity held during the period (B)	795,218	936,538
Gratuity paid during the period (C)	74,986	-
Total Gratuity provision as at period 2025	1,656,770	936,538

30. Cash Generated from Operations

	Period ended June 2025
	Kshs
Surplus for the period before tax	21,638,469
Adjusted for:	
Depreciation	3,274,634
Non-cash grants received	-
Contributed assets	-
Impairment	-
Gains and losses on disposal of assets	-
Contribution to provisions	-
Contribution to impairment allowance	-
Working capital adjustments	
Changes in inventory	-
Changes in receivables	25,837,291
Changes in deferred income	-
Changes in Third party deposits	396,130
Changes in gratuity provision	(720,232)
Changes in payments received in advance	-
Net cash flow from operating activities	(600,086)

31. Financial Risk Management

The Entity's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The Entity's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the

potential adverse effect of such risks on its performance by setting acceptable levels of risk. The Entity does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history. The Entity's financial risk management objectives and policies are detailed below:

i) Credit risk

The Entity has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Entity's management based on prior experience and their assessment of the current economic environment.

Financial Risk Management

The carrying amount of financial assets recorded in the financial statements representing the Entity's maximum exposure to credit risk without taking account the value of any collateral obtained is made up as follows:

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
As at 30th June 2025				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	56,869,857	-	-
Bank balances		99,294,762	-	-
Total		156,164,618	-	-
As at 30 June 2024		-	-	-
Receivables from exchange transactions		-	-	-
Receivables from non-exchange transactions		31,486,476	-	-

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

Bank balances		113,222,668	-	-
Total	-	144,709,144	-	-

Financial Risk Management

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the Entity has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The Entity has significant concentration of credit risk on amounts due. The board of directors sets the Entity's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Entity's directors, who have built an appropriate liquidity risk management framework for the management of the Entity's short, medium and long-term funding and liquidity management requirements. The Entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows. The table below represents cash flows payable by the Entity under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
As at 30th June (2024-2025)				
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions(Retention)	-	-	2,380,737	-
Deferred income	-	-	-	-
Gratuity Provision	-	-	1,656,770	-

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
Total	-	-	4,037,507	-
As at 30th June (Previous FY)	-	-	-	-
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions(Retention)	-	-	2,776,867	-
Deferred income	-	-	-	-
Employee benefit obligation	-	-	936,538	-
Total	-	-	3,713,405	-

iii) Market risk

The *Entity* has put in place an internal audit function to assist it in assessing the risk faced by the Entity on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls. Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the Entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee. The Entity's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies. There has been no change to the Entity's exposure to market risks or the way it manages and measures the risk.

a) Foreign currency risk

The *Entity* has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

conversion at the time of payment is done using the prevailing exchange rate. The *Entity* manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments. The carrying amount of the *Entity's* foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

2024-2025

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
As at 30th June (2024-2025)			
Financial Assets	-	-	-
Investments	-	-	-
Cash	-	-	-
Debtors	-	-	-
Total Financial Assets	-	-	-
Financial Liabilities	-	-	-
Trade And Other Payables	-	-	-
Borrowings	-	-	-
Total Financial Liabilities	-	-	-
Net Foreign Currency Asset/(Liability)	-	-	-

Foreign currency sensitivity analysis

2024-2025

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
As at 30th June (2024-2025)			
Financial Assets	-	-	-
Investments	-	-	-
Cash	-	-	-
Debtors	-	-	-
Total Financial Assets	-	-	-
Financial Liabilities	-	-	-
Trade And Other Payables	-	-	-
Borrowings	-	-	-
Total Financial Liabilities	-	-	-

Net Foreign Currency Asset/(Liability)	-	-	-
--	---	---	---

Financial Risk Management

The following table demonstrates the effect on the Entity's statement of comprehensive income on applying the sensitivity for a reasonable possible change in the exchange rate of the three main transaction currencies, with all other variables held constant. The reverse would also occur if the Kenya Shilling appreciated with all other variables held constant.

Description	Change in currency rate	Effect on Profit before tax	Effect on Equity/Net assets
	Kshs	Kshs	Kshs
2024-2025			
Euro	NA	-	-
USD	NA	-	-
Previous FY			
Euro	NA	-	-
USD	NA	-	-

b) Interest rate risk

Interest rate risk is the risk that the Entity's financial condition may be adversely affected as a result of changes in interest rate levels. The Entity's interest rate risk arises from bank deposits. This exposes the Entity to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the Entity's deposits.

Management of interest rate risk

To manage the interest rate risk, management has endeavoured to bank with institutions that offer favourable interest rates.

Sensitivity analysis

The Entity analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the

prior year. Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of Kshs (2024-2025: Kshs). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs (2024-2025

Fair value of financial assets and liabilities

a) Financial instruments measured at fair value.

Determination of fair value and fair values hierarchy

IPSAS 30 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the *Entity's* market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. The *Entity* considers relevant and observable market prices in its valuations where possible.

The following table shows an analysis of financial and non- financial instruments recorded at fair value by level of the fair value hierarchy:

Description	Level 1	Level 2	Level 3	Total
	Kshs	Kshs	Kshs	Kshs
As at 30 June (2024-2025)				
Financial Assets				
Quoted Equity Investments	-	-	-	-
Non- Financial Assets	-	-	-	-

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

Investment Property	-	-	-	-
Land And Buildings	-	-	-	-
Total	-	-	-	-
As at 30th June (Previous FY)	-	-	-	-
Financial Assets	-	-	-	-
Quoted Equity Investments	-	-	-	-
Non- Financial Assets	-	-	-	-
Investment Property	-	-	-	-
Land And Buildings	-	-	-	-
Total	-	-	-	-

There were no transfers between levels 1, 2 and 3 during the year. Disclosures of fair values of financial instruments not measured at fair value have not been made because the carrying amounts are a reasonable approximation of their fair values.

iv) Capital Risk Management

The objective of the Entity's capital risk management is to safeguard the Entity's ability to continue as a going concern. The Entity capital structure comprises of the following funds:

Description	2024-2025	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
Revaluation Reserve	-	-
Retained Earnings	162,634,208	140,995,739
Capital Reserve	-	-
Total Funds	-	-
Total Borrowings	162,634,208	140,995,739
Less: Cash and Bank Balances	(99,294,762)	(113,222,668)
Net Debt/(Excess Cash And Cash Equivalentents)	63,339,446	27,773,071
Gearing	39%	20%

32. Related Party Disclosures

	2024-2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Committee Members Remuneration		
Sitting allowance of committee Members during the year	1,526,000	1,810,000
Transaction with the NGCDF Board		
Transfers from the NGCDF Board during the year	145,086,476	197,350,610
Total	146,612,476	199,160,610

33. Segment Information

(Where an organisation operates in different geographical regions or in departments, IPSAS 18 on segmental reporting requires an Entity to present segmental information of each geographic region or department to enable users understand the Entity's performance and allocation of resources to different segments)

34. Contingent Assets and Contingent Liabilities

Contingent Assets

Description	2024-2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Contingent Assets		
Insurance Reimbursements	-	-
Assets Arising from Determination Of Court Cases	-	-
Reimbursable Indemnities and Guarantees	-	-
Receivables From Other Government Entities	-	-
Others (Specify)	-	-
Total	-	-

(Give details)

Contingent Liabilities

Description	2024-2025	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
Contingent Liabilities	-	-
Court Case against the Entity	-	-
Bank Guarantees in Favour of Subsidiary	-	-
Contingent Liabilities arising from Contracts Including PPPs	-	-
Others (Specify)	-	-
Total	-	-

35. Capital Commitments

Capital Commitments	2024-2025	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
Authorised for	NA	NA
Authorised and contracted for	NA	NA
Total	NA	NA

36. Events after the Reporting Period

There were no material adjusting and non-adjusting events after the reporting period.

37. Ultimate And Holding Entity

The Suba South Constituency is a Fund under The National Treasury and Planning & managed by NG-CDFB at the National level, and the NG-CDFC at the constituency level. Its ultimate parent is the Government of Kenya.

38. Currency

The financial statements are presented in Kenya Shillings (Kshs) rounded to the nearest Kshs.

*National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025*

**18. Annexes
Annex 1: Summary of Asset Register**

Asset class	Historical Cost b/f	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost
	(Kshs) 2022-2023			(Kshs) 2023-2024
Land	-	-	-	-
Buildings and structures	-	-	-	-
Transport equipment	10,799,940	-	-	10,799,940
Office equipment, furniture and fittings	1,049,800	-	-	1,049,800
ICT Equipment, Software and Other ICT Assets	1,478,080	-	-	1,478,080
Other Machinery and Equipment	-	-	-	-
Intangible assets	-	-	-	-
Total	13,327,820	-	-	13,327,820

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

Annex 2 –PMC Bank Balances As At 30th June 2025

PMC	Bank	Account number	Bank Balance	<i>Bank Balance</i>
			2024-2025	2023-2024
Bunge Primary School Pmc	Equity Bank (Kenya) Ltd	760278670964	714	984,249
Gateway Bmu Pmc	Co-Operative Bank	1141048316900	1,000	-
Gendo Primary School	Co-Operative Bank	1120076328500	1,473	1,473
Gingo Mixed Day Secondary School	Equity Bank (Kenya) Ltd	760279547275	676	5,596
Gingo Primary School - Pmc	Co-Operative Bank	1141076038500	151	151
God Bura Primary School	Co-Operative Bank	1141047218300	4,422	154,578
God Bura Sec School	Co-Operative Bank	1141076175700	9,439	9,439
God Oloo Mixed Day Sec School	Co-Operative Bank	1141434371100	2,450	2,450
God Oloo Primary	Equity Bank (Kenya) Ltd	760278820801	9,113	-
Got-Adundo Primary School	Equity Bank (Kenya) Ltd	760278897138	4,002	4,002
Governor Awiti Kisenye Pri School	Co-Operative Bank	1141330767900	6,749	6,749
Gwasssi North Location Chief's Office Pmc	Co-Operative Bank	1141331428200	508	508
Hon. John Mbadi Ongoro Primary School	Co-Operative Bank	1141076838301	1,921	1,921
John Mbadi Oma Mixed Sec School	Equity Bank (Kenya) Ltd	760279527981	1,069	1,253
Kasinga Primary School	Co-Operative Bank	1141456529400	1,215	1,215
Kiabuya Chief's Hub	Co-Operative Bank	1141330795600	4,200,000	-
Kiabuya Primary School - Pmc	Co-Operative Bank	1141330795600	3,785	3,785
Kiabuya Secondary School	Co-Operative Bank	1141076037200	54,347	774

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

PMC	Bank	Account number	Bank Balance	<i>Bank Balance</i>
			2024-2025	2023-2024
Kianyumba Mixed Sec School	Co-Operative Bank	1141048346400	5	5
Kibuogi Primary School	Equity Bank (Kenya) Ltd	760284364258	1,104	1,224
Kibura Primar School Cdf Acc	Co-Operative Bank	1141331422200	2,285	57,735
Kichare Primary School-Pmc	Equity Bank (Kenya) Ltd	760284363331	6,399	159,659
Kiembe Mixed Sec School	Equity Bank (Kenya) Ltd	760280797590	183,950	5,309
Kiembe Primary School	Co-Operative Bank	1141048344600	2,072	811,508
Kigoto Primary School Pmc	Co-Operative Bank	1141331572400	26,179	26,179
Kikubi Primary School	Equity Bank (Kenya) Ltd	760279764797	(568,388)	2,796,080
Kikubi Primary School	Co-Operative Bank	1141331608900	700,000	-
Kimange Primary School	Equity Bank (Kenya) Ltd	760282344673	910	910
Kimoro Primary School - Pmc	Equity Bank (Kenya) Ltd	760278714722	3,063	211,901
Kinchororio Primary School	Co-Operative Bank	1141076519300	3,189	3,189
Kingenyo Primary School	Co-Operative Bank	1141434258500	2,222	488
Kinyasaga Primary School Pmc	Equity Bank (Kenya) Ltd	760278897189	4,032	643,783
Kirambo Primary School	Equity Bank (Kenya) Ltd	760279537400	121	3,121
Kisaku Mixed Sec School	Co-Operative Bank	1141048125300	3,005,651	3,006,131
Kisegi Mixed Sec School	Co-Operative Bank	1141048353200	9,920	9,920
Kisegi Primary School	Co-Operative Bank	1141076939500	4,690	2,393
Kisiambi Primary School	Co-Operative Bank	1141076037100	2,965	2,965
Kitawa Primary School	Equity Bank (Kenya) Ltd	760284363816	1,070	1,070
Kithereka Primary School	Co-Operative Bank	1141047162300	1,115	1,115
Kiwa Bmu Pmc	Co-Operative Bank	1141331246000	1,000	-
Kiwa Primary School	Co-Operative Bank	1141331246000	1,529	1,529
Koga Primary School - Pmc	Co-Operative Bank	1141076041000	2,413	49,263

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

PMC	Bank	Account number	Bank Balance	<i>Bank Balance</i>
			2024-2025	2023-2024
Koga Primary School Cdf Acc	Co-Operative Bank	1141330044500	325	325
Koyombe Mixed Sec School	Co-Operative Bank	1141048346200	8,509	808,043
Koyombe Primary School	Co-Operative Bank	1141331514000	1,200	1,200
Kumbatha Primary School	Co-Operative Bank	1141048344400	53,845	682
Kumuinda Primary School	Kcb	1155791215	9,273	9,273
Ligongo Mixed Secondary School	Co-Operative Bank	1141331515600	1,309	1,309
Ligongo Primary School	Equity Bank (Kenya) Ltd	760284367593	32,349	32,349
Lwanda Primary School	Co-Operative Bank	1141331781500	1,880	1,880
Magunga Community Policing	Co-Operative Bank	1141076816000	-	1,998
Magunga Primary School - Pmc	Co-Operative Bank	1141048123800	296,611	5,724,680
Magunga Township Mixed Sec Sch	Co-Operative Bank	1141434209600	1,952,564	1,232
Malongo Primary School	Co-Operative Bank	1141331433700	24,148	823,718
Manyala Primary School-Cdf	Kcb	1317931149	89,468	1,624,532
Mark Matunga Kiwa Mixed Sec School	Co-Operative Bank	1141331572100	43,428	1,608
Matunga Primary School	Co-Operative Bank	1141048203200	2,313	2,313
Matunga Water Project	Co-Operative Bank	1141330030100	16,675	18,205
Miramba Mixed Secondary School	Equity Bank (Kenya) Ltd	760263357123	55,229	54,869
Miramba Primary School	Co-Operative Bank	1141076501800	7,208	7,208
Miriya Primary School	Equity Bank (Kenya) Ltd	760282344516	1,898	1,898
Moi Girls Sindo Sec School Cdf Project	Co-Operative Bank	1141048122700	37,156	37,156
Msare Mixed Day Secondary School	Co-Operative Bank	1141076838100	12,246	1,201,699
Msare Primary School - Pmc	Co-Operative Bank	1141331495300	488	488

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

PMC	Bank	Account number	Bank Balance	<i>Bank Balance</i>
			2024-2025	2023-2024
Mukende Primary School	Co-Operative Bank	1141076040300	2,807	985,529
Mukuyu Primary School	Co-Operative Bank	114107603900	1,500,000	1,500,000
Mumisa Primary School	Co-Operative Bank	1141048130100	15,913	49,025
Mwiraria Mixed Sec School	Co-Operative Bank	1141048348900	702	702
Mwiraria Primary School	Co-Operative Bank	1141331572300	314	314
Mwiregwa Primary School	Co-Operative Bank	1141048118600	39,672	1,515,922
Mwirendia Primary School	Co-Operative Bank	1141330814600	1,236	1,236
Mwiyoyo Primary School	Equity Bank (Kenya) Ltd	760282345385	3,185	3,185
Ngeri Girls Sec School	Co-Operative Bank	1141048125500	3,875	3,875
Ngeri Mixed Secondary School	Co-Operative Bank	1141434602900	452	2,800,000
Ngeri Primary School	Equity Bank (Kenya) Ltd	760284395492	4,610	4,610
Nyabera Girls Secondary School	Co-Operative Bank	1141076171200	13,172	95,042
Nyabera Primary School	Co-Operative Bank	1139048307701	388	388
Nyabomo Primary School	Equity Bank (Kenya) Ltd	760280797576	4,708	214,174
Nyaburu Primary School	Co-Operative Bank	1141076373300	1,273	1,273
Nyabwacheche Primary School-Pmc	Co-Operative Bank	1141076838200	1,846	512,000
Nyadenda Chief' Camp	Co-Operative Bank	1141330913400	101,849	2,000,000
Nyadenda Chief's Ict Hub	Equity Bank (Kenya) Ltd	760278963824	2,637,260	-
Nyadenda Mixed Sec School	Equity Bank (Kenya) Ltd	760278898965	2,939	2,939
Nyadenda Primary School	Co-Operative Bank	1141076815900	12,707	32,202
Nyagwethe Primary School Pmc	Equity Bank (Kenya) Ltd	760279871531	360	360
Nyagwethe Secondary School	Co-Operative Bank	1141331608200	15,858	15,978
Nyakasera Primary School	Co-Operative Bank	1141076438000	4,213	4,213
Nyakiya Mixed Secondary School	Equity Bank (Kenya) Ltd	760279046987	2,225	2,825

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

PMC	Bank	Account number	Bank Balance	<i>Bank Balance</i>
			2024-2025	2023-2024
Nyakiya Primary School	Co-Operative Bank	1141076000200	(1,546)	(1,546)
Nyakweri Primary School Pmc	Co-Operative Bank	1100076387000	1,194	1,194
Nyalkembo Primary School	Co-Operative Bank	1139048112805	-	1,351
Nyamadede Mixed Secondary School	Co-Operative Bank	1141331424000	8,883	108,930
Nyamadede Primary School	Co-Operative Bank	1141292558300	3,437	3,437
Nyandiwa Chief's Camp	Co-Operative Bank	1141076454200	96,680	-
Nyandiwa Main Beach Bmu	Co-Operative Bank	1100048145200	1,000	-
Nyandiwa Mixed Secondary School	Equity Bank (Kenya) Ltd	760280888699	5,298	5,298
Nyandiwa Primary School	Co-Operative Bank	1141076002600	23,534	23,534
Nyasoti Primary School	Equity Bank (Kenya) Ltd	760284368506	120,560	2,627,518
Nyatambe Mixed Secondary School	Equity Bank (Kenya) Ltd	760298974384	5,997,300	2,997,300
Nyatoto Mixed Sec Sch Development	Equity Bank (Kenya) Ltd	760281981482	2,891	1,811
Nyawacha Primary School	Co-Operative Bank	1141331140600	5,911	5,911
Nyenga Secondary School Project	Co-Operative Bank	1141076035100	5,003,545	5,004,145
Obanga Mixed Sec School Pmc	Equity Bank (Kenya) Ltd	760284364462	131,872	5,163
Obanga Primary School - Pmc	Co-Operative Bank	1141076176300	(8,880)	(3,120)
Obanga Primary School - Pmc	Co-Operative Bank	1139048139202	743	32,233
Ogaka Girls Secondary School	Equity Bank (Kenya) Ltd	760295103710	2,800,000	-
Ogaka Primary School	Co-Operative Bank	1141331424800	2,293	156,262
Olando Primary School Pmc	Co-Operative Bank	1141331572500	1,700	161,067
Oma Primary School	Co-Operative Bank	1141331329700	630	630

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

PMC	Bank	Account number	Bank Balance	<i>Bank Balance</i>
			2024-2025	2023-2024
Omuthuma Primary School - Pmc	Co-Operative Bank	1141048119200	149,412	2,800,412
Ongalo Primary School	Co-Operative Bank	1141331487801	115,484	1,576,745
Ong'ayo Primary School	Equity Bank (Kenya) Ltd	760284406728	802,663	217,665
Ongongo Primary School - Pmc	Equity Bank (Kenya) Ltd	760284380010	911	209,903
Onywera Day Secoondary School	Co-Operative Bank	1141331281800	6,044	6,044
Onywera Primary School	Co-Operative Bank	1141076884700	2,017	2,017
Osiri Primary School	Co-Operative Bank	1141330836200	117,695	603,196
Osoi Eced School	Co-Operative Bank	1141076039700	3,981	3,981
Osoi Primary School	Equity Bank (Kenya) Ltd	760278670943	135,952	2,800,000
Owich Chief's Camp	Co-Operative Bank	1141331341100	411,340	-
Pundo Primary	Co-Operative Bank	1141330088700	18,160	17,200
Ragwe Mixed Secondary School	Co-Operative Bank	1141330781400	140,896	61,896
Ragwe Primary School	Equity Bank (Kenya) Ltd	760284361677	20,949	20,949
Rakiwey Constructions	Co-Operative Bank	1141047146700	190,000	-
Ramula Primary School	Equity Bank (Kenya) Ltd	760278974190	1,113	54,951
Rasira Bmu Pmc	Equity Bank (Kenya) Ltd	760295116464	1,100	-
Rianchogu Primary School-Pmc	Co-Operative Bank	1141330794700	1,347	464,853
Roo Chief's Camp	Co-Operative Bank	1129019263500	112,414	2,000,000
Roo Dok Primary School	Co-Operative Bank	1141048126300	925	183,620
Rowo Mixed Day Secondary School	Co-Operative Bank	1141331781400	3,875	965,709
Rowo Primary School	Co-Operative Bank	1141076359600	2,313	2,313
Sagarume Primary School	Co-Operative Bank	1141331511700	87,635	1,216

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

PMC	Bank	Account number	Bank Balance	<i>Bank Balance</i>
			2024-2025	2023-2024
Sanjweru Primary School	Co-Operative Bank	1141331824800	1,041	800,175
Sare Bmu Pmc	Equity Bank (Kenya) Ltd	760279955830	-	488
Sawanka Primary School	Equity Bank (Kenya) Ltd	760284363451	8,932	1,007,566
Seka Mixed Sec School	Co-Operative Bank	1141331481600	17,411	1,016,946
Seka Primary School	Equity Bank (Kenya) Ltd	760281152435	1,201,599	-
Sindo Mixed Day Sec School	Co-Operative Bank	1141331481000	162	162
Sindo Primary School - Pmc	Co-Operative Bank	1141048122000	366,017	5,693,499
Soko Primary School	Equity Bank (Kenya) Ltd	760279629368	508,538	1,998,218
St John's Kikubi Girls Sec School	Co-Operative Bank	1141293512000	7,075	7,075
St Joseph Olando Secondary School	Co-Operative Bank	1141331572200	1,286	1,286
St. Charles Wiga Sec School	Co-Operative Bank	1141331487601	1,427	1,427
St. Gabriel's Gwasssi Girls Sec	Co-Operative Bank	1141330346100	(1,535)	1,860
St. Joseph Mukiundu Primary School	Co-Operative Bank	1141331265200	81,104	11,892
St. Joseph Olando Sec School	Equity Bank (Kenya) Ltd	760278670964	3,355	3,355
St. Merceline Kigoto Sec School	Co-Operative Bank	1141048316900	6,097	6,217
Suba Constituency Water Pmc	Co-Operative Bank	1120076328500	1,631	1,631
Suba South Const Sports Pmc	Equity Bank (Kenya) Ltd	760279547275	2,520	2,520
Suba South Dcc Office Pmc	Co-Operative Bank	1141076038500	160	160
Suba South Sports Committee - Pmc	Co-Operative Bank	1141047218300	115	115
Suba Sub County Huduma Centre	Co-Operative Bank	1141076175700	1,013	1,013
Suba Sub County Police Commandant Office	Co-Operative Bank	1141434371100	436	436
Suba Teachers College	Equity Bank (Kenya) Ltd	760278820801	37,715	37,715

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

PMC	Bank	Account number	Bank Balance	<i>Bank Balance</i>
			2024-2025	2023-2024
Sumba Primary School	Equity Bank (Kenya) Ltd	760278897138	800,986	986
Tonga Boys Sec School	Co-Operative Bank	1141330767900	3,325	3,325
Tonga Primary School	Co-Operative Bank	1141331428200	2,925	2,925
Uterere Chief's Camp	Co-Operative Bank	1141076838301	96,269	-
Uterere Primary School	Equity Bank (Kenya) Ltd	760279527981	3,538	3,538
Victor Musoga Primary School Cdf	Co-Operative Bank	1141456529400	3,565	3,565
Wira Primary School	Co-Operative Bank	1141330795600	390	390
Yongo Mixed Sec School	Co-Operative Bank	1141330795600	1,846	1,846
Totals			34,402,411	62,810,175

Annex 3: Progress On Follow Up of Auditor Recommendations

The following is a summary of issues raised by the external auditor, management comments provided to the auditor, and subsequent progress made on resolving the issues.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>
OAG/SUBASOUTH/2023-2024 (1)	<p>Accuracy of Bursary-Tertiary Bursary balance</p> <p>The statement of receipts and payments as at 30 June 2024 and as disclosed in note 8 to the financial statements, reflects a balance of Kshs. 63,081,391 in respect to other grants and other transfers which further includes Kshs 17,951,000 in respect to bursary to tertiary institutions. However, review of documents provided for audit review revealed that</p>	<p>The list of specific beneficiaries and acknowledgement of the bursaries disbursed to Migtech Driving School amounting to Kshs.2,000,000 has been provided for your review.</p> <p>ANNEX 1</p>	Not Resolved	December 31, 2025

National Government Constituencies Development Fund (NGCDF)
Suba South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>Kshs. 15,951,000 was disbursed and acknowledged by specific tertiary institutions while Kshs.2,000,000 disbursed to a driving school was not supported by a list of specific beneficiaries and acknowledgement of the bursaries so disbursed.</p> <p>In the circumstances, the accuracy and regularity of the Kshs.2,000,000 during the year under review could not be confirmed.</p>			
OAG/SUBASOUTH/2023-2024 (3)	Unsupported bursary awards- Secondary schools		Not Resolved	December 31, 2025

*National Government Constituencies Development Fund (NGCDF)
 Suba South Constituency
 Annual Report and Financial Statements for The Year Ended June 30, 2025*

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>
	<p>The statement of receipts and payments for the year ended 30 June, 2024 and as disclosed in Note 8 to the financial statements, reflects Kshs.63,081,391 in respect to other grants and other transfers which further includes Kshs.22,340,000 spent on bursaries to secondary schools. However, no evidence was provided to confirm that a sub-committee by the name “Education bursary, Mock Examinations and Continuous assessment tests” was formed to manage bursary awards as required by Constituencies Development fund Boars circular ref. NG-</p>	<p>The appointment letters, minutes and reports of the Suba South NG-CDF “Education bursary , Mock Examinations and Continuous assessments tests” Sub-Committee, which identified the needy students have been attached for your review.</p>		